

2018 -- H 7306

LC003253

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- DUTIES OF UTILITIES AND CARRIERS

Introduced By: Representatives Kennedy, Marshall, Edwards, Serpa, and Abney

Date Introduced: January 25, 2018

Referred To: House Corporations

(Lieutenant Governor)

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 39-2 of the General Laws entitled "Duties of Utilities and Carriers"
2 is hereby amended by adding thereto the following sections:

3 **39-2-26. Emergency response plans - Submission, approval, penalties for failure to**
4 **file, and denial of recovery of service restoration costs for failure to implement emergency**
5 **response plan.**

6 (a) Each electric distribution company and natural gas distribution company conducting
7 business in the state shall, on or before May 15, 2019 and annually thereafter, submit to the
8 division an emergency response plan for review and approval. The emergency response plan shall
9 be designed for the reasonably prompt restoration of service in the case of an emergency event,
10 which is an event where widespread outages have occurred in the service area of the company
11 due to storms or other causes beyond the control of the company.

12 (b) After review of an electric distribution or natural gas distribution company's
13 emergency response plan, the division may request that the company amend the plan. The
14 division may open an investigation of the company's plan. If, after hearings, the division finds a
15 material deficiency in the plan, the division may order the company to make such modifications
16 that it deems reasonably necessary to remedy the deficiency.

17 (c) Any investor-owned electric distribution or natural gas distribution company that fails
18 to file its emergency response plan may be fined five hundred dollars (\$500) for each day during

1 which such failure continues. Any fines levied by the division shall be returned to ratepayers
2 through distribution rates in a manner determined by the commission.

3 (d) Each investor-owned electric distribution or natural gas distribution company, when
4 implementing an emergency response plan, shall designate an employee or employees to remain
5 stationed at the Rhode Island emergency management agency's emergency operations center for
6 the duration of the emergency when the emergency operations center is activated in response to
7 an emergency with an electric or gas service restoration component. In the event of a virtual
8 activation of the emergency activation center, each investor-owned electric and natural gas
9 distribution company shall designate an employee or employees to participate in the virtual
10 activation. The employee or employees shall coordinate communications efforts with designated
11 local and state emergency management officials, as required by this section.

12 (e) Each investor-owned electric distribution or natural gas distribution company, when
13 implementing an emergency response plan, shall designate an employee or employees to serve as
14 community liaisons for each municipality within their service territory. An investor-owned
15 electric distribution or natural gas distribution company shall provide each community liaison
16 with the necessary feeder map or maps outlining municipal substations and distribution networks
17 and up-to-date customer outage reports at the time of designation as a community liaison. An
18 investor-owned electric distribution or natural gas distribution company shall, at a minimum,
19 provide each community liaison with three (3) customer outage report updates for each twenty-
20 four (24) hour period, to the liaison's respective city or town. The community liaison shall utilize
21 the maps and outage reports to respond to inquiries from state and local officials and relevant
22 regulatory agencies.

23 (f) On or before October 1 of each year, every city or town shall notify each investor-
24 owned electric distribution or natural gas distribution company and the Rhode Island emergency
25 management agency of the name of the emergency management official or designee responsible
26 for coordinating the emergency response during storm restoration. If a municipality does not have
27 a designated emergency management official, the chief municipal officer shall designate one
28 public safety official responsible for said emergency response.

29 (g) Notwithstanding any existing power or authority, the division may open an
30 investigation to review the performance of any investor-owned electric distribution or natural gas
31 distribution company in restoring service during an emergency event. If, after evidentiary
32 hearings or other investigatory proceedings, the division finds that, as a result of the failure of the
33 company to follow its approved emergency response plan, the length of the outages were
34 materially longer than they would have been but for the company's failure, the division shall

1 recommend that the commission enter an order denying the recovery of all, or any part of, the
2 service restoration costs through distribution rates, commensurate with the degree and impact of
3 the service outage.

4 (h) Notwithstanding any general or special law or rule or regulation to the contrary, upon
5 request by the commission, division and any emergency management agency each electric
6 distribution or natural gas distribution company conducting business in the state shall provide
7 periodic reports regarding emergency conditions and restoration performance during an
8 emergency event consistent with orders of the commission and/or division.

9 **39-2-27. Standards of acceptable performance for emergency preparation and**
10 **restoration of service.**

11 The division shall open a docket and establish standards of acceptable performance for
12 emergency preparation and restoration of service for each investor-owned electric and gas
13 distribution company doing business in the state. The division shall levy a penalty not to exceed
14 one hundred thousand dollars (\$100,000) for each violation for each day that the violation of the
15 division's standards persists; provided, however, that the maximum penalty shall not exceed
16 seven million five hundred thousand dollars (\$7,500,000) for any related series of violations. The
17 division shall open a full investigation, upon its own initiative. Nothing herein shall prohibit any
18 affected city or town from filing a complaint with the division regarding a violation of the
19 division's standards of acceptable performance by an investor-owned electric distribution or
20 natural gas distribution company; provided, however, that said petition shall be filed with the
21 division no later than ninety (90) days after the violation has been remedied. After an initial
22 review of the complaint, the division shall make a determination as to whether to open a full
23 investigation.

24 **39-2-28. Levied penalties to be credited back to customers.**

25 Any penalty levied by the division against an investor-owned electric distribution or
26 natural gas distribution company for any violation of the division's standards of acceptable
27 performance for emergency preparation and restoration of service for electric and gas distribution
28 companies shall be credited back to the company's customers in a manner determined by the
29 commission.

30 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO PUBLIC UTILITIES AND CARRIERS -- DUTIES OF UTILITIES AND
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1 This act would require every electric distribution company and natural gas distribution
2 company conducting business in the state would, on or before May 15, 2019, and annually
3 thereafter, submit to the division of public utilities and carriers an emergency response plan for
4 review and approval. The act would also authorize the assessment of monetary penalties to each
5 investor-owned electric and gas distribution company doing business in the state when the
6 company does not comply with the division's requirements for responding to and restoring utility
7 service to customers.

8 This act would take effect upon passage.

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