

PROJECT NO. 40269

PRIORITIES FOR POWER § **PUBLIC UTILITY COMMISSION**
RESTORATION TO CERTAIN §
MEDICAL FACILITIES § **OF TEXAS**

**PROPOSAL FOR PUBLICATION OF AMENDMENT TO §25.52
AS APPROVED AT THE JUNE 13, 2012 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes an amendment to §25.52, relating to Reliability and Continuity of Service. The proposed amendment will implement Senate Bill 937 enacted in the 82nd legislative session and now codified in Public Utility Regulatory Act (PURA) §38.072, which requires an electric utility to give nursing facilities, assisted living facilities, and hospice facilities the same priority that it gives to a hospital in the utility's emergency operations plan for restoring power after an extended outage. Project Number 40269 is assigned to this proceeding.

Regina Erales, Reliability and Emergency Management Coordinator, Infrastructure and Reliability Division has determined that for each year of the first five-year period the proposed amendment is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the amendment.

Regina Erales has determined that for each year of the first five years the proposed amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be changing the commission's rules to reflect statutory changes required by Senate Bill 937 and improved power restoration prioritization for assisted living facilities, nursing facilities, and hospice facilities in the event of an extended power outage. There will be no adverse economic effect on

small businesses or micro-businesses as a result of enforcing the amendment. Therefore, no regulatory flexibility analysis is required. There is no anticipated economic cost to persons who are required to comply with the amendment as proposed.

Regina Erales has also determined that for each year of the first five years the proposed amendment is in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act (APA), Texas Government Code §2001.022.

The commission staff will conduct a public hearing on this rulemaking, if requested pursuant to the Administrative Procedure Act, Texas Government Code §2001.029, at the commission's offices located in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas 78701 on Thursday, August 16, 2012. The request for a public hearing must be received by the commission by Tuesday, August 14, 2012.

Comments on the proposed amendment may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, by Monday, July 30, 2012. Reply comments may be submitted by Monday, August 13, 2012. Sixteen copies of comments to the proposed amendment are required to be filed pursuant to §22.71(c) of this title. Comments should be organized in a manner consistent with the organization of the amended rule. The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the amendment. The

commission will consider the costs and benefits in deciding whether to adopt the amendment. All comments should refer to Project Number 40269.

The amendment is proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.001 (West 2007) (PURA), which gives the commission the general power to regulate and supervise the business of each public utility; §14.002, which provides the Public Utility Commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction; §38.005, which requires the commission to implement service quality and reliability standards relating to the delivery of electricity to customers by electric utilities; and PURA §38.072, which requires an electric utility to give nursing facilities, assisted living facilities and hospice facilities the same priority that it gives to a hospital in the utility's emergency operations plan for restoring power after an extended outage.

Cross Reference to Statutes: Public Utility Regulatory Act §§ 14.001, 14.002, 38.005, and 38.072.

§ 25.52. Reliability and Continuity of Service.

(a) - (e) (No change.)

(f) Priorities for Power Restoration to Certain Medical Facilities.

(1) A utility shall give the same priority that it gives to a hospital in the utility's emergency operations plan for restoring power after an extended power outage, as defined by Texas Water Code, Section 13.1395, to the following:

(A) An assisted living facility, as defined by Texas Health and Safety Code, Section 247.002;

(B) A facility that provides hospice services, as defined by Texas Health and Safety Code, Section 142.001; and

(C) A nursing facility, as defined by Texas Health and Safety Code, Section 242.301;

(2) The utility may use its discretion to prioritize power restoration for a facility after an extended power outage in accordance with the facility's needs and with the characteristics of the geographic area in which power must be restored.

~~(g)~~ **System reliability.** Reliability Standards shall apply to each utility, and shall be limited to the Texas jurisdiction. A "reporting year" is the 12-month period beginning January 1 and ending December 31 of each year.

(1) **System-wide standards.** The standards shall be unique to each utility based on the utility's performance, and may be adjusted by the commission if appropriate for weather or improvements in data acquisition systems.

The standards will be the average of the utility's performance from the later of reporting years 1998, 1999, and 2000 or the first three reporting years the utility is in operation.

(A) **SAIFI.** Each utility shall maintain and operate its electric distribution system so that its SAIFI value shall not exceed its system-wide SAIFI standard by more than 5.0%.

(B) **SAIDI.** Each utility shall maintain and operate its electric distribution system so that its SAIDI value shall not exceed its system-wide SAIDI standard by more than 5.0%.

(2) **Distribution feeder performance.** The commission will evaluate the performance of distribution feeders with ten or more customers after each reporting year. Each utility shall maintain and operate its distribution system so that no distribution feeder with ten or more customers sustains a SAIDI or SAIFI value for a reporting year that is more than 300% greater than the system average of all feeders during any two consecutive reporting years.

(3) **Enforcement.** The commission may take appropriate enforcement action, including action against a utility, if the system and feeder performance is not operated and maintained in accordance with this subsection. In determining the appropriate enforcement action, the commission shall consider:

(A) the feeder's operation and maintenance history;

(B) the cause of each interruption in the feeder's service;

- (C) any action taken by a utility to address the feeder's performance;
- (D) the estimated cost and benefit of remediating a feeder's performance; and
- (E) any other relevant factor as determined by the commission.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 13TH DAY OF JUNE 2012 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
ADRIANA A. GONZALES**