

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Proposed Rulemaking Re : Docket No. L-00030161
Amending Electric Service :
Reliability Regulations :
Request for Comments :

**COMMENTS OF CITIZENS' ELECTRIC COMPANY ON THE
COMMISSION'S PROPOSED RULEMAKING RE AMENDING
ELECTRIC SERVICE RELIABILITY REGULATIONS**

Citizens' Electric Company files these comments in response to the Pennsylvania Public Utility Commission's (Commission) Proposed Rulemaking order concerning amended reliability regulations , published in the *Pennsylvania Bulletin* on October 4, 2003.

SUMMARY OF ARGUMENT

While we understand and agree with the need to track and report reliability statistics, it is our belief that quarterly reporting is excessive and provides little meaningful information. System reliability can have significant short-term variations based upon isolated local events such as, vehicle accidents, stormy weather patterns, etc. We respectfully suggest that annual reporting provides a more appropriate method to monitor performance.

The commission proposed that quarterly reporting for small EDCs be limited to a number of quantifiable measurements. Specifically, these items include: a description of major events that occurred during the quarter, rolling 12-month SAIFI, SAIDI, and

CAIDI values, and a breakdown of outage causes with proposed solutions. We recognize the value of these items, and respectfully suggest that it would be appropriate to limit the information required in the annual report to the same items. It is our belief that the additional data requested in the annual report (progress toward meeting maintenance goals, budget vs. actual maintenance expenditures, staffing levels, contractor hours and dollars, and callout acceptance rate) presents an unduly burdensome (and relatively uninformative) reporting requirement. While we agree it is important to assign a cost to efforts aimed at improving reliability, it does not necessarily follow that increasing expenditures or manpower will have a direct correlation on reliability. Focusing directly on actual performance measures is the best way to ascertain current reliability, and to determine the effectiveness of our maintenance programs.

Further, in addition to callout acceptance rate, many other aspects contribute to overall restoration time. These include response time, travel time, weather conditions, etc. Focusing solely on callout acceptance rate will not necessarily lead to meaningful conclusions regarding reliability or restoration effectiveness. Again, the best assessment of restoration is the standard CAIDI measure.

Finally, we agree with the Commission's position that it is not necessary for small EDCs to report on the 5% worst performing circuits. The nature of our operation is such that we are inherently aware of the condition of all circuits, and can respond quickly to any problems.

CONCLUSION

Reliability is very important to us, and we are proud of the record of service we have established. We are pleased to work with the Commission to continue the history of low-cost, reliable electricity our customers have enjoyed for many years.

Respectfully submitted

John A. Kelchner
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