

**MEMORANDUM**

TO: Angela Hawkins, Legal Director – PUCO

FROM: Todd Colquitt, Director of Business Advocacy
Common Sense Initiative Office

DATE: April 21, 2017

RE: **CSI Review – PUCO Electric Utility Emergency Plans and Coordination for Restoration of Electric Service (PUCO Case No. 15-2053-EL-ORD)**

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC or Revised Code) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in O.R.C. 107.54.

Analysis

This rule package proposed by the Public Utilities Commission of Ohio (PUCO) consists of one amended rule, specifically Ohio Administrative Code (OAC) 4901:1-10-08. The rule addresses electric utility emergency plans and coordination for the restoration of service during emergency situations. The rule package proposes to amend the existing rule to specify that hospitals are to be given priority status for service restoration during periods of emergency or disaster. The proposed amendment also states that if a hospital so requests from its serving electric utility, that the electric utility shall confer with the hospital at least biennially on power quality issues in an effort to minimize the impact of voltage fluctuations and harmonic disturbances on the hospital. The PUCO is explicitly directed to undertake these amendments by ORC 4928.112.

The PUCO initiated a rulemaking on the above-referenced case through an Entry dated December 8, 2015. As part of the rulemaking, the PUCO convened a workshop on January 7, 2016 inviting interested stakeholders to provide suggestions for the PUCO staff to consider as it

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began the process of creating the new rules. The PUCO also sought public comment on the rule package and BIA by issuing an Entry dated February 10, 2016 seeking comments and reply comments to be filed by March 10, 2016 and March 25, 2016, respectively. Two comments were received in the initial comment period. One stakeholder filed a comment reserving the right to file reply comments. The other stakeholder filed a comment voicing their support for the amended rules as proposed by the PUCO. Neither comment addressed the accompanying BIA. No comments were filed during the reply comment period. A Finding and Order was issued by the PUCO on November 9, 2016, and the PUCO submitted the rule to the CSI Office for review on March 21, 2017.

The purpose of a CSI recommendation memo is not to catalogue in detail each rule in all its subparts, but rather to weigh the rule package on the whole in whether stakeholders were included and their input considered, whether the appropriate balance has been struck, and whether the agency has adequately articulated the necessity for the adverse business impact.

After reviewing the various documents contained in the docket for PUCO Case No. 15-2053-EL-ORD, including the December 8, 2015 Entry, the proposed rules and BIA accompanying the Entry dated February 10, 2016, the stakeholder comments filed in the formal comment period, and the Finding and Order dated November 9, 2016, the CSI Office has determined that the rule package as a whole satisfactorily meets the standards espoused by the CSI Office and the purpose of the rule package justifies the adverse impacts identified in the BIA.

Recommendations

For the reasons described above, the CSI Office has no recommendations regarding this rule package.

Conclusion

Based on the above comments, the CSI Office concludes that the Public Utilities Commission of Ohio should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Emily Kaylor, Director of Regulatory Policy – CSI