BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Filing Requirement Rules for)	
Electric Utilities.)	Case No. EX-2007-0214
Electrical Corporation Infrastructure Standards	j –	

STAFF'S COMMENTS TO THE COMMISSION'S PROPOSED ELECTRICAL CORPORATION INFRASTRUCTURE STANDARDS RULE, 4 CSR 240-23.020

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission") and for its Comments to the Commission's Proposed Electrical Corporation Infrastructure Standards Rule, 4 CSR 240-23.020, states:

- 1. The Staff suggests for Commission consideration the changes shown by redline/strikeout in the attached draft proposed rule and those that follow in this pleading.
- 2. The Staff is unclear of the Commission's intent with regard to two aspects of the proposed rule. The first is the scope of the facilities intended to be covered by the rule. In the description in the "purpose" section of the proposed rule the Commission indicates the purpose is to establish minimum requirements for both distribution and transmission facilities; however, the language of proposed rule, at 4 CSR 240-23.020 (3)(A) addresses only distribution facilities. If the Commission intends the rule to address minimum requirements of both distribution and transmission facilities, the Commission should add the words "and transmission" between the words "distribution" and "facilities" in the first sentence of 4 CSR 240-23.020 (3)(A). If not, the Commission should delete the words "and transmission" between the words "distribution" and "facilities" in the "purpose" section.

- 3. The Staff is also unsure of the Commission's intent with the following language found in 4 CSR 240-23.020(4)(B): "Upon receipt of the written notice of violation, the electrical corporation shall have five (5) business days to correct the violation(s)." If it is the Commission's intent that correcting a violation within five (5) business days is a mitigating factor with respect to penalties, fines, sanctions and/or ratemaking disallowances in accordance with the commission's statutory authority, then the Staff suggests adding a sentence that states: "If the violation is corrected within five (5) business days of when the electrical corporation receives written notice of the violation, the Commission may consider that fact when considering penalties, fines, sanctions and/or ratemaking disallowances in accordance with the commission's statutory authority." Alternatively, the Commission may wish to delete the noted sentence.
- 4. Among the changes the Staff proposes are to change the definition of "Rural" and "Urban" from being based on geographic population density to being based on voltage level and numbers of customers per circuit mile, revise the date by which initial compliance plan filings are to be made, and simplify the inspection timetable to require inspection of components located near to each other at the same time. The Staff's rationales for these suggested changes to the Commission's proposed Electrical Corporation Infrastructure Standards Rule, 4 CSR 240-23.020, follow.
- 5. The definitions of "rural" and "urban" based on geographic population densities in the proposed rule are reasonable; however, those definitions could cause confusion since inspections are typically performed by circuit and a single circuit may serve customers in both urban and rural areas as those terms are defined in the proposed rule. The Staff suggests revising the definitions of "rural" and "urban" to be based on the average number of customers per circuit-mile and voltage level as follows: Lines and facilities operating at 25,000 volts and above

are "urban." Lines and facilities from substations that operate at 25,000 volts and less are "urban" if, in the aggregate, there are more than 35 customers per line mile. Lines and facilities from substations that operate at 25,000 volts and less are "rural" if, in the aggregate, there are 35 or less customers per line mile.

- 6. The Staff estimates the Commission will not have an Electrical Corporation Infrastructure Standards Rule, 4 CSR 240-23.020, in effect before November 1, 2007. Based on that estimation, the Staff suggests revising the date by which initial compliance plan filings are to be made with the Commission from January 1, 2008, to April 1, 2008.
- 7. The Staff suggests modifying the definition of "corrective action" found in 4 CSR 240-23.020(2)(A) to include the interruption of service and that corrective action may be of a temporary nature. The Staff suggests adding at the end of the existing sentence the following: "and may include the temporary interruption of service; corrective action may be of a temporary nature until permanent corrective action is possible." In concert with that change in definition, the Staff suggests the language of 4 CSR 240-23.020(3)(H) be changed to require that corrective action should "be commenced and completed as soon as possible" rather than "immediately." The Staff is concerned "immediately" could be interpreted to require the utility to take corrective action even though practical constraints make that impossible. For example, a transformer may need to be replaced to avoid harm to person or property, but a replacement transformer may not be available for several days. In that circumstance, the utility may need to interrupt service until a replacement can be installed. Although interrupting service does not immediately correct the problem, it would avoid harm to person or property. In other circumstances, a utility may make temporary repairs to avoid harm to persons or property without correcting the original problem.

While permanent repairs should be made as soon as possible, there are situations were temporary repairs are the best course of action.

8. The Staff suggests changes to the maximum inspection intervals in the table of Electrical Corporation System Inspection Cycles both so that all the facilities that make up a given circuit could be inspected at the same time and so that the facilities inspections could be readily coordinated with vegetation management activities. These modifications include the removal of the distinction between underground circuits with or without Ethylene Propylene While underground conductors with EPR is one of the best available Rubber (EPR). technologies at this time, inspections are likely to reveal problems with terminations that occur at the transformer or pedestal that would be unassociated with the protective coating. The Staff suggests changing the urban patrol cycle to two years in recognition that typical day-to-day repairs on circuits provide opportunities for utility workers to informally inspect the circuit. The Staff suggests having the maximum inspection interval for wooden poles be a multiple of the inspection cycles for other facilities and, therefore, suggests periods for them that when multiplied by whole numbers result in the 12-year inspection interval for wooden poles (12 is evenly divisible by 2, 3, and 6).

WHEREFORE, the Staff of the Missouri Public Service Commission submits these comments to the Commission's Proposed Electrical Corporation Infrastructure Standards Rule, 4 CSR 240-23.020.

Respectfully submitted,

/s/ Nathan Williams

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I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 15th day of August 2007.

/s/ Nathan Williams