

Monitoring and Enforcement of Electric Service Quality Standards

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1

Topics

- Enforcement areas
- Tools
- Sources of information
- Impact of competition
- Formalizing enforcement process

2

Enforcement Areas

- Customer protections
 - Billing, disconnection of service, deposits, misrepresentation
- Licensing standards
 - Financial qualifications
- Wholesale market
 - Violation of wholesale market rules, abuse of market power
- Delivery service
 - Failure to meet quality standards: SAIDI, SAIFI
- Program activities
 - Renewable energy, energy efficiency, low-income discounts

3

Delivery Service

- Utilities required to report SAIDI and SAIFI
- Information on duration and frequency of outages at feeder level
- Standards for improvement of worst-performing feeders
- Staff evaluation of utility reports for compliance with standards

4

Tools

- Administrative penalties
 - Up to \$25,000 per violation
 - Restitution authority not clear
 - Exploring report card for Retail Electric Providers
- Public censure
 - Public attention to companies results in efforts to settle some cases
- Informal complaint resolution process
 - Effective way to obtain relief in cases of customer protection violations
- License revocation

5

Sources of Information

- Reporting requirements
- Information provided by customers
- Information provided by competitors
- Independent market monitor
- Regional Entity for reliability violations
- Program administrators for special programs

6

Impact of Competition

- Increased level of activity for wholesale market and system reliability
 - Organized wholesale market leads to more diffuse responsibility
 - 2003 Northeast Blackout led to federal reliability legislation
- In retail market, there are good and bad citizens
 - Creativity can result in better services
 - Does new service comply with rules?

7

Formalizing the Enforcement Process

- Philosophy—obtain compliance
- Creation of Oversight and Enforcement Division
- Third parties that report on special areas
 - Wholesale market
 - System reliability
 - Renewable energy and low-income discount
- Standardize enforcement process

8

Current and Past Enforcement Areas

- Frequency and duration of interruptions
- Failure to provide contracted resources to market operator of wholesale market
- Failure to obtain consent to retail service renewal
- Failure to retire renewable energy credits
- Pre-paid calling cards (telephone)
- Unauthorized late-payment fees

9