

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HOUSE BILL 473

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

Brian F. Egolf

AN ACT

RELATING TO PUBLIC UTILITIES; REQUIRING THE PUBLIC REGULATION
COMMISSION TO ADOPT SERVICE QUALITY AND RELIABILITY STANDARDS
FOR THE DELIVERY OF GAS AND ELECTRICITY TO RETAIL CUSTOMERS;
REQUIRING ANNUAL COMPLIANCE REPORTS; AUTHORIZING CIVIL
PENALTIES FOR NONCOMPLIANCE; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Public Utility Act is
enacted to read:

"[NEW MATERIAL] SERVICE QUALITY AND RELIABILITY
STANDARDS--ANNUAL REPORTS--CIVIL PENALTIES FOR NONCOMPLIANCE.--

A. Unless exempted pursuant to Subsection E of this
section, no later than January 1, 2012, the commission shall
adopt rules that establish service quality and reliability
standards for the delivery of natural gas, liquified petroleum

underscoring material = new
~~[bracketed material] = delete~~

1 gas and electricity to retail customers by public utilities.

2 The rules shall:

3 (1) incorporate existing national standards to
4 the extent feasible;

5 (2) include procedures for addressing and
6 normalizing:

7 (a) major outage events;

8 (b) major shortages of natural gas,
9 liquified petroleum gas or electricity;

10 (c) anomalous events that do not achieve
11 major outage or shortage status;

12 (d) year-to-year weather impacts; and

13 (e) other factors identified by the
14 commission that may impact service reliability;

15 (3) include benchmarks for:

16 (a) service outages;

17 (b) customer satisfaction;

18 (c) distribution and transmission
19 facility upgrades;

20 (d) repairs and maintenance;

21 (e) staffing levels;

22 (f) billing service; and

23 (g) public safety; and

24 (4) provide for separate reliability standards
25 for each electric or gas utility in order to account for system

.185073.2

underscoring material = new
~~[bracketed material] = delete~~

1 reliability differentiating factors, including system design,
2 existing infrastructure, customer density and geography.

3 B. No later than April 1, 2013 and April 1 of each
4 year thereafter, each public utility subject to the
5 requirements of this section shall submit a performance report
6 to the commission that includes:

7 (1) a summary of the actual service
8 reliability results for the preceding calendar year;

9 (2) an assessment of the results and the
10 effectiveness of the reliability standards;

11 (3) planned actions, projects, programs and
12 load studies for the current calendar year that will achieve an
13 acceptable reliability level; and

14 (4) any other information that the commission
15 determines necessary to assess the utility's efforts to achieve
16 and maintain reliable service to all of its retail customers.

17 C. Upon receipt of a report pursuant to Subsection
18 B of this section, the commission shall publish the report on
19 its web site and provide notice to the public of the report and
20 how interested parties may review and comment on the report.

21 Also, if public interest warrants, the commission shall hold a
22 public hearing on the report. After reviewing the report and
23 considering comments submitted by interested parties, no later
24 than July 1, 2013 and July 1 of each year thereafter, the
25 commission shall determine whether each public utility has met

.185073.2

underscored material = new
[bracketed material] = delete

1 the service quality and reliability standards established for
2 that utility pursuant to Subsection A of this section. The
3 commission shall take appropriate corrective action against a
4 utility that has failed to meet the standards, including
5 appropriate civil penalties for noncompliance.

6 D. The commission shall establish a structure for
7 civil penalties that it shall levy against public utilities
8 that fail to comply with service quality and reliability
9 standards or that violate any other requirement of this section
10 or any rule adopted pursuant to this section. Notwithstanding
11 the provisions of Section 62-6-19 NMSA 1978, penalties
12 collected shall be returned to the retail customers of the
13 offending utilities in a manner determined by rule of the
14 commission.

15 E. The provisions of this section do not apply to
16 rural electric cooperatives or to utilities owned and operated
17 by municipalities or counties."

18 SECTION 2. EMERGENCY.--It is necessary for the public
19 peace, health and safety that this act take effect immediately.

20 - 4 -
21
22
23
24
25