

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,)
of the investigation regarding the repeated and)
prolonged interruption of **EDISON SAULT**)
ELECTRIC COMPANY's service to Mackinac)
Island.)
_____)

Case No. U-12551

At the August 4, 2000 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

ORDER

Over the years, the electric service provided to Mackinac Island by its exclusive service provider, Edison Sault Electric Company (Edison Sault), has been subject to repeated--and sometimes prolonged--outages. Most recently, the island began experiencing numerous, wide-spread outages on July 22 and 23, 2000. By July 24, 2000, all power to the island had been lost, thus forcing the Mackinac Island City Council to issue a state of emergency and establish a midnight curfew. Although portable generators began providing at least some of Edison Sault's 1,300 affected customers with temporary power by week's end, the lack of consistent electric service necessitated maintaining the curfew through July 29, 2000.

Because this week-long power outage occurred at the height of Mackinac Island's tourist season, it proved especially disruptive¹ and costly to Edison Sault's customers. Nevertheless, history shows that such a widespread loss of power to the island is neither unique nor unlikely to reoccur. A review is therefore needed to learn what happened to Edison Sault's system, the effect that the recent outage had on its customers and the public, how the utility responded, and what changes should be implemented to reduce the potential for any future outages.

The Commission's authority to conduct this review is provided by Section 5 of 1909 PA 106, which states, in pertinent part, that:

The Commission shall have power . . . to investigate from time to time the method employed by persons, firms, and corporations transmitting and supplying electricity, and shall have power to order such improvements in such method as shall be necessary to secure good service and the safety of the public”

MCL 460.555; MSA 22.155. In light of the duty imposed by the Legislature, the Commission cannot permit these recent events to pass without conducting a thorough review to assess the adequacy of the electrical distribution system serving Mackinac Island and, if necessary, establish measures to avoid or mitigate future outages.

The Commission therefore finds that it should initiate a legislative-type inquiry into Edison Sault's repeated--and, as of late, prolonged--power outages on Mackinac Island. Because the utility possesses much of the statistical and operational information regarding this and other power outages on the island, as well as information regarding the cause of each outage, the first step in this inquiry should be for Edison Sault to prepare and file a detailed report setting forth (1) the reason, or reasons, for the repeated outages, and (2) the proposed steps for remedying the problem,

¹As evidence of the significant degree of disruption that arose from this outage, the Mackinac Island State Park Commission issued a formal resolution (dated July 29, 2000) requesting a review of Edison Sault's infrastructure and outage response capabilities.

or problems, giving rise to those outages. Moreover, the Commission finds that it should conduct a public hearing to provide an opportunity for affected customers to discuss their concerns regarding those power outages, the effect of those outages on the public, Edison Sault's responses to those outages, and the utility's proposals for remedial action.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACCS, R 460.17101 et seq.

b. A review should be conducted into reasons for the repeated interruption of the electric service provided to Mackinac Island by Edison Sault.

c. Edison Sault should prepare and file a detailed report setting forth the reason (or reasons) for the repeated interruption of its service to Mackinac Island and the steps that it proposes for remedying the problem (or problems) giving rise to those power outages.

d. A hearing should be held to gather public comment on the repeated outages experienced by customers on Mackinac Island, Edison Sault's responses to those outages, and the utility's proposals to remedy the problem.

THEREFORE, IT IS ORDERED that:

A. A legislative-type inquiry shall be conducted regarding Edison Sault Electric Company's repeated and prolonged power outages on Mackinac Island.

B. Edison Sault Electric Company shall prepare and file, by August 31, 2000, a detailed report setting forth the reason (or reasons) for the repeated interruption of its electric service to Mackinac Island and the steps that it proposes for remedying the problem (or problems) giving rise to those power outages.

C. A public hearing shall be held on Mackinac Island on or before September 15, 2000, at a place and time to be established by the Commission, for the purpose of gathering public comment on (1) the repeated outages experienced by customers on Mackinac Island, (2) Edison Sault Electric Company's responses to those outages, and (3) the utility's proposals to remedy the problem, or problems, giving rise to those power outages.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand

Chairman

(S E A L)

/s/ David A. Svanda

Commissioner

/s/ Robert B. Nelson

Commissioner

By its action of August 4, 2000.

/s/ Dorothy Wideman

Its Executive Secretary

B. Edison Sault Electric Company shall prepare and file, by August 31, 2000, a detailed report setting forth the reason (or reasons) for the repeated interruption of its electric service to Mackinac Island and the steps that it proposes for remedying the problem (or problems) giving rise to those power outages.

C. A public hearing shall be held on Mackinac Island on or before September 15, 2000, at a place and time to be established by the Commission, for the purpose of gathering public comment on (1) the repeated outages experienced by customers on Mackinac Island, (2) Edison Sault Electric Company's responses to those outages, and (3) the utility's proposals to remedy the problem, or problems, giving rise to those power outages.

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MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

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By its action of August 4, 2000.

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Suggested Minute:

“Adopt and issue order dated August 4, 2000 initiating an inquiry into Edison Sault Electric Company’s repeated and prolonged power outages on Mackinac Island, as set forth in the order.”