

For Immediate Release
November 30, 2010

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The IURC Concludes Tree-Trimming Investigation

Investor-owned utilities ordered to alter practices and improve customer involvement

INDIANAPOLIS – The Indiana Utility Regulatory Commission (IURC) has determined that Hoosiers would benefit from having consistency with regard to the rules and regulations surrounding tree-trimming practices and procedures.

After scheduling an unprecedented number of field hearings throughout the state, the Commission finds that a balance can be struck between the utility companies and their customers. Recognizing that inadequate vegetation management can impact service reliability and, in severe cases, cause blackouts, the Commission's Order provides customers with the opportunity to partake in the vegetation management process while still granting the utilities flexibility when it comes to addressing the needs of their unique service territories.

"The Commission reviewed hundreds of pages of testimony and received input from concerned ratepayers at six public field hearings in every part of the state to craft a balanced Order that addresses the concerns of all the parties," said David Ziegner, the presiding Commissioner.

In its decision, the Commission stated that the utilities are required to adhere to nationally recognized best practices, as outlined by the ANSI A300 standards as well as other vegetation management guidelines detailed in the Order. For example, the utilities are now prohibited from "topping" trees or removing more than 25 percent of a tree's canopy without the property owner's consent. This decision stems from consumer complaints broached during the course of the proceeding. If the property owner does not consent, the utility must offer alternatives.

When contacting customers, the utilities must now provide notice in person or over the phone and provide at least one form of written notice to the customer. The initial notice should be no later than two weeks before the trimming is estimated to occur. In doing so, customers and utilities will have more time to discuss and resolve concerns. Further, once normal maintenance trimming is complete, the Commission finds that it is reasonable for the utility to have the debris promptly removed within three calendar days.

With regard to accessing property, utilities should use the public rights of way or easements. If the existing access points are insufficient, utilities either need to obtain such additional easements as necessary from the property owner, or obtain the consent of the property owner prior to trimming vegetation outside of the easement or right of way. Because this finding conflicts with the application of Indianapolis Power & Light's tariff, the Commission is requiring the utility to file revised language that is in accord with the provisions outlined in the Commission's Order.

The Commission believes the best path to cooperation between customers and their utility company is through continuous education. The Commission points specifically to educating the public on how tree-trimming prevents service interruption and keeps Hoosiers safe. Additionally, the Commission supports efforts to educate consumers on planting the right type of tree in the right place to prevent interference with power lines in the first place. Consequently, the Commission is ordering that the issues related to customer education, notification, tree replacement and dispute resolution be addressed through a formal rulemaking.

"The Commission looks forward to continuing this dialogue in the rulemaking process and thanks the Indiana General Assembly and all of the parties for their efforts in this investigation," said Commissioner Ziegner.

The rulemaking will be applicable to all investor-owned electric utilities; however, other non-jurisdictional electric utilities may also participate and are encouraged to do so. To start the process, the Commission has scheduled a technical conference for December 15, 2010 at 2:30 p.m. The Commission envisions that at the completion of the rulemaking process there will be a code of conduct that protects Hoosiers and provides them with an outlet to voice their concerns. The Commission will work closely with the Office of Utility Consumer Counselor and the public as well as the utilities to craft rules that are fair, reasonable and in the public interest. The Commission strongly encourages active public participation.

If you are interested in browsing case documents or testimony from the parties, you may do so by accessing our online Electronic Document System at <https://myweb.in.gov/IURC/eds/>. Simply click "search cases" and enter the five-digit cause number, 43663, in the "docket number" field. If you are interested in reading the Order, please visit our homepage at <http://www.in.gov/iurc/>.

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The Commission is a fact-finding body that hears evidence in cases filed before it and makes decisions based on the evidence presented in those cases. An advocate of neither the public nor the utilities, the IURC is required by state statute to make decisions that balance the interests of all parties to ensure the utilities provide adequate and reliable service at reasonable prices.