

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Proposed Policy Statement : **Docket Number: L-2009-2104274**
Regarding Utility Service Outage :
Public Notification Guidelines :

SECRETARY'S BUREAU
2010 APR -7 PM 3:42

**COMMENTS OF THE
ENERGY ASSOCIATION OF PENNSYLVANIA
TO
PROPOSED POLICY STATEMENT**

I. INTRODUCTION

On April 30, 2009, the Commission unanimously adopted a staff-issued report entitled *Electric Distribution Company Service Outage Response and Restoration Practices Report* (“Report”). The Report emanated from a Commission investigation into the service restoration and public notice practices of electric distribution companies (“EDCs”) operating in Pennsylvania following an unexpected and unusually severe storm event in September 2008, i.e., Hurricane Ike. Hurricane Ike interrupted electric service to over 450,000 customers primarily in the western part of Pennsylvania and caused widespread damage to electric utility facilities. The Report summarized the findings of the investigation and made a number of recommendations for further action which are the subject of the instant Policy Statement and a companion Proposed Rulemaking Order.

In the Report, the Commission staff noted that, with respect to two public input hearings held in Cranberry Township on October 9 and 10, 2008, attendance by the general public was sparse and comments were generally positive. While the eight residents who spoke at the public

hearings did recognize a need for improved communications to the public, they generally praised the utilities and other emergency responders for their work in restoring service. See Report at p.1. Equally as important, the Report recognized that “[b]oth the Commission staff and EDCs perform best practice reviews after each storm response to identify areas of improvement. Over the years, both parties have worked well together to improve emergency outage response to the citizens of the Commonwealth of Pennsylvania.” Report at p. 21.

On that same date in April 2009, the Commission adopted a Joint Motion offered by Commissioners Christy and Pizzigrilli to initiate a rulemaking to revise certain Commission regulations relating to service outages and to issue a policy statement. Thereafter, on November 10, 2009, the Commission entered the instant Proposed Policy Statement regarding Utility Service Outage Public Notification Guidelines at Docket No. M-2008-2065532. The Order was subsequently published in the *Pennsylvania Bulletin* on March 6, 2010, provided for a 30-day comment period and for a 45-day reply comment period. Subsequently, the Energy Association of Pennsylvania (“Association” or “EAPA”) sought and received a two-day extension of time until April 7 for itself and its member companies to file comments in the instant proceeding. The Association herein submits these comments on behalf of its electric and natural gas distribution company members¹.

II. COMMENTS

Initially, the Proposed Policy Statement provides at 52 Pa. Code §69.1901 that the guidelines are addressed “to the electric distribution market regarding the restoration practices of service.” The Order accompanying the Proposed Policy Statement acknowledges that a similar

¹ EAPA Members include: Allegheny Power, Citizens’ Electric Company, Columbia Gas of PA, Duquesne Light Company, Equitable Gas Company, Metropolitan Edison Company, a *FirstEnergy* Company, National Fuel Gas Distribution Corp., PECO Energy Company, Pennsylvania Electric Company, a *FirstEnergy* Company, Pennsylvania Power Company, a *FirstEnergy* Company, Peoples Natural Gas Company, Philadelphia Gas Works, Pike County Light & Power Co., PPL Electric Utilities, UGI Central Penn Gas, Inc., UGI Electric Utilities, Inc., UGI Gas Utilities, Inc., UGI Penn Natural Gas, Valley Energy, Inc. and Wellsboro Electric Company.

policy is in place for the water industry and seeks input on whether the policy should apply in the natural gas, telephone and wastewater industries as well. See Order at p. 7.

The Proposed Policy Statement is primarily directed at maintaining and improving an open, predictable line of communication with the public when an unscheduled service outage occurs after a weather event. The recommendations include: 1) EDCs should develop written crisis communication plans consistent with national NIMS standards; 2) EDCs should establish a Joint Information System/Joint information Center to coordinate responses when multiple utilities in the same region are affected by an incident; 3) EDCs should communicate with the news media and public in a consistent fashion; 4) during incident management, EDCs should establish a schedule for the regular release of information to the news media; and 5) EDCs should strive to use the best available technology to facilitate the sharing of information, including automated dialing systems, electronic mail and text messaging.

The Association adopts and supports comments filed by its member companies in the instant proceeding and will limit its comments here to two general concerns: 1) the applicability of the Natural Incident Management System (“NIMS”) and its Incident Command System to EDCs when managing widespread service outages; and 2) the applicability of the Proposed Policy Statement to NGDCs. The Association reserves the right to address other issues, as necessary, in any Reply Comments it might file to this docket.

A. Application of NIMS

The Commission recommends that EDCs strive to adopt the principles of NIMS to organize all information throughout the utility into one unified message when managing widespread outages. See Proposed Policy Statement at §69.1902(b). Further, the Proposed Policy Statement instructs EDCs to give “strong consideration” to implementing the NIMS-based Joint Information System/Joint Information Center if more than one EDC is affected in the

same geographic area during a service outage. Id. at §69.102(b)(2). The Association has reservations relating to the applicability of NIMS standards to EDCs. The NIMS standard applies generally to public entities/agencies and provides a roadmap for communication and response when managing large unplanned weather/disaster events. As recognized in the Commission Report, all EDCs have written plans in place detailing processes for managing information and resources during an unscheduled service outage. More specific guidance from the Commission regarding expectations for implementing the NIMS standard within an EDC is necessary prior to finalizing the Proposed Policy Statement

A few areas of concern include:

- Whether utilities are to adopt a multi-agency approach. Is it the Commission's intent for utilities to apply NIMS principles only to internal operations or to apply NIMS principles to coordinate and operate with government and non-government agencies for each county? Coordination and operations through the NIMS standard approach with agencies such as county and township road departments, for example, would require significant effort. To comply with NIMS standards, additional staffing and infrastructure investment is necessary;
- Whether utilities are to adopt the NIMS preparedness cycle, including the extensive training and drilling components (including drilling for mock events) necessary to ensure NIMS compliance. What is the expectation of the Commission for a utility to train and drill outage events on an annual basis;
- With respect to existing written procedure in place for outage preparedness and communication, will a process be established to decide whether existing plans comply with the NIMS standard;

- The NIMS standard requires qualification and certification of employees. Do current classifications of physical and non-physical employees meet this requirement;
- The NIMS standard requires that equipment be certified for mutual assistance use. Does the Commission intend to implement a program to require equipment certification;

With respect to the recommendation that a Joint Information Center be established when multiple electric utilities are affected by a widespread outage, additional guidance would be required to address logistical issues. A Joint Information Center would clearly require significant organization prior to the emergency, including training and establishing new communication procedures among the utilities. These tasks can not be accomplished on an ad hoc basis and necessitate commitment to resources and planning with the Pennsylvania Emergency Management Agency (“PEMA”) and other local emergency responders. The Commission should clarify its expectations when suggesting adherence to NIMS so that electric utilities could assess current resources and analyze costs that may arise if the Proposed Policy Statement is implemented. The Association would ask for the clarification and an opportunity to provide a cost/benefit analysis prior to finalization of the instant policy proposal.

B. Applicability to Natural Gas Utilities

With respect to the applicability of the Proposed Policy Statement to natural gas utilities, the Association refers to the comments filed by UGI which detail current requirements under the U.S. Department of Transportation (“U.S. DOT”) regulations for an emergency plan applicable during an outage or a natural gas system. See UGI comments at pp. 8-10. The Proposed Policy Statement should not be applied in disregard of existing emergency plans developed by NGDCs under U.S. DOT regulations.

III. CONCLUSION

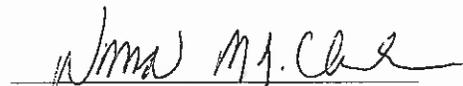
The Association recommends that, prior to finalizing the Proposed Policy Statement, the Commission clarify the extent to which it looks to encourage the adoption of the NIMS principles to EDCs, recognizing existing plans, procedures and processes in place for dealing with unscheduled service outages. Following clarification, the Association submits that a cost/benefit analysis would be appropriate prior to finalizing the policy. Further, the Association does not support application of the Proposed Policy Statement to natural gas utilities at this point in time.

Pennsylvania utilities, both electric and gas, have plans in place which address communication and identify resources needed in the event of unscheduled service outages. The Association's members are dedicated to continuing to improve best practices and welcome the opportunity for further discussion and cooperation in this area. At the same time, the Association is cautious in its support of the Proposed Policy Statement given proven procedures and practices already in place and the issues raised in these comments.

Respectfully submitted,



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