Testimony of Chad W. Stoneking

Director, Operations Services West Penn Power A FirstEnergy Company

Pennsylvania Senate Transportation Committee Hearing on the Delay and Delivery of State Road and Bridge Projects

February 2, 2016 Harrisburg, Pennsylvania Before the Pennsylvania Senate Transportation Committee Hearing on the Delay and Delivery of State Road and Bridge Projects February 2, 2016

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Good morning, Chairman Rafferty, Chairman Wozniak and members of the Committee. I'm Chad Stoneking, Director of Operations Services for West Penn Power Company ("West Penn"), which provides safe and reliable electric service to approximately 720,000 customers in Pennsylvania. Together with its sister Pennsylvania distribution companies, Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company, the FirstEnergy Pennsylvania utilities serve about 2 million customers in the Commonwealth.

I appreciate the opportunity to testify today on behalf of West Penn to respond to concerns that the relocation of utility infrastructure may contribute to unscheduled delays in the completion of Pennsylvania Department of Transportation ("PennDOT") road and bridge projects. I will give a brief overview of PennDOT projects involving the relocation of West Penn electric facilities, touch on our allocation of significant resources in support of PennDOT and Rapid Bridge Replacement projects, and conclude by offering potential solutions to help mitigate the impact of facility relocations on the timely completion of PennDOT projects. Although I'm speaking today on behalf of West Penn, I would like to emphasize that these concerns are shared, to some degree, by all four of FirstEnergy's electric distribution companies in Pennsylvania.

Since the launch of its work management system in April of 2012, West Penn has documented 324 requests from PennDOT for facility relocation work due to road and bridge projects. Of these, 189 projects totaling nearly 50,000 West Penn man-hours have been completed at a cost of \$6.6 million. Another 37 projects currently under

construction are budgeted at a cost of \$1.63 million and, when completed, will have required an additional 10,500 West Penn man-hours, we estimate. In addition, 98 projects are in the design phase of our process, and are scheduled to be completed at a date and cost to West Penn that is yet to be determined.

In preparation for this hearing, I examined our work record with PennDOT-related utility relocation projects and found that only a very small number – about 2 percent – resulted in delays of any significance. Two of these projects were delayed only due to concurrent PennDOT project timelines competing for resources, which led to one taking priority over the other.

For example, the first of these delays was associated with construction work at state Routes 1009 and 0018 in Washington County in 2014. In this instance, two projects needed to be completed at the same time, and therefore, the state Route 0018 project was given priority at the request of PennDOT, which caused work on state Route 1009 to be delayed until 2015.

Delays also were associated with multiple projects that needed to be completed concurrently in the Charleroi area in 2015. The work involved state Route 481, Webster Bridge and state Route 136 in Ginger Hill. Once again, because several PennDOT projects were competing for resources, crews were taken from one job and then sent to sites in order to coordinate PennDOT contractors' schedules, which created inefficiencies from West Penn's perspective. Following this delay, additional West Penn crews and outside contractors were brought in by West Penn in an effort to complete the work and avoid any further delays to these projects.

Other delays often develop due to external circumstances. For example, utility relocation work West Penn completed on state Route 30 in Jeannette was delayed because of difficulties securing rights of way from two local businesses. After those rights of way

were obtained, West Penn dedicated significant resources to safely and quickly finishing its utility relocation work so PennDOT could complete its project by the end of the construction season.

Occasionally, more minor issues arise which can lead to unexpected delays outside the control of the utility. For example, West Penn has experienced delays obtaining Highway Occupancy Permit, or HOP, approvals from PennDOT. This happened for West Penn's work on the Swede Hill Road-Willow Crossing Road project in Westmoreland County. A different type of delay involves property access rights. This occurred recently on the state Route 981 Latrobe Airport project. In that instance, West Penn's design and initial construction phases of the project were completed before PennDOT could secure right of way for work on all affected parcels. However, through close communication with PennDOT, we remained aware of the negotiations and, in some cases, were able to assist in working with property owners to gain access to the site to begin work.

For 2016, West Penn has allocated approximately 7,000 man-hours and budgeted \$2.4 million to support ongoing PennDOT and Rapid Bridge Replacement projects, which use a public-private-partnership, or "P3" approach, to deliver major, public infrastructure projects. To prepare for this accelerated schedule, we also have conducted high-level meetings with Plenary Walsh Keystone Partners, a consortium chosen by PennDOT to design, build, finance and maintain hundreds of bridges across the Commonwealth as part of the Rapid Bridge Replacement Project. As a result of these meetings, we have reviewed plans for all 558 bridges identified by the program, and determined 143 of the 225 bridges within West Penn's service area are likely to be within close proximity of West Penn's electrical infrastructure.

West Penn's process for successfully working with PennDOT benefits from an emphasis on two-way communication, periodic joint planning sessions, and ensuring employees of

West Penn and PennDOT have familiarity with one another and are able to maintain strong, consistent working relationships.

To that end, over the past several years, West Penn has held quarterly meetings with PennDOT managers in District 12 – a very active district located in our service area – to review current and future projects. Based on the success of those efforts, these meetings will now be held twice per year. Similarly, discussions are typically held with PennDOT personnel in Districts 10 and 11, as well.

Through our success relocating electric facilities associated with PennDOT road and bridge projects, we've found that practicing the three Cs of early and frequent coordination, cooperation and communication is essential throughout the project development and construction phases to avoid potential delays. This includes establishing a Utility Relocation Plan early in the PennDOT project development stage with mutually agreed-upon goals, strategies and expected project milestones.

Keeping these critical factors in mind, West Penn has identified three possible solutions to help prevent utility relocation delays that affect the timely completion of PennDOT road and bridge projects:

1.) Consultation with electric utilities should occur very early in project

development. Early communication is crucial and may facilitate minor plan changes that eliminate the need to relocate facilities in the first place, which is the best way to prevent delays. Ideally, coordination should begin well in advance of a project, starting as early as the public-hearing stage.

2.) Key stakeholders must be effectively engaged in project coordination efforts. These include vital engineering and construction staff with in-depth knowledge of the project, as well as support staff in areas such as real estate and environmental services. Regular

coordination meetings with utilities to discuss project status would provide a forum for an open, two-way exchange of critical information. These meetings also would provide an opportunity to promptly address issues as they are identified.

3.) When relocation is necessary, the primary goal must be to relocate electric utilities before construction begins, when practical. Granted, early relocation is not always possible when variables such as the acquisition of a right of way or environmental permitting come into play. It's important that utilities are provided accurate, firm dates regarding all relocation work.

In closing, West Penn remains committed to working with this Committee and PennDOT to ensure the safe and timely completion of electric facility relocations associated with road and bridge construction projects in our service area.

Thank you for the opportunity to provide this testimony.