Joint Hearing of the Senate Veterans Affairs and Emergency Preparedness Committee and Consumer Protection and Professional Licensure Committee Utility Response to Recent Storms October 18, 2011

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Members of the Senate Committees on Veterans Affairs and Emergency Preparedness and Consumer Protection and Professional Licensure:

I appreciate the opportunity to provide information regarding the response of Metropolitan Edison Company ("Met-Ed") and Pennsylvania Electric Company ("Penelec") to Hurricane Irene – including our planning and preparation in advance of the storm, our service restoration efforts and lessons learned after dealing with one of the most destructive storms we've faced in recent years.

My testimony also will address key issues, including our communications outreach to customers and local officials as well as impediments to our restoration efforts. I also would like to share my thoughts on what we did well and discuss some lessons learned.

To put the impact of Hurricane Irene in perspective, the storm disrupted service to 285,472 of our customers in eastern Pennsylvania – including 224,735, or 41 percent of Met-Ed customers. As measured by customers affected and the number and duration of outages, it was one of the worst storms in Met-Ed's history. In our Penelec service area, power outages affected 60,737, or 10 percent of our customers.

Before I discuss our efforts specific to Hurricane Irene, I would like to underscore FirstEnergy's commitment to delivering safe and reliable electric service. Our employees in Pennsylvania take great pride in providing this essential service to more than two million customers throughout the Commonwealth and they dedicate themselves every day to ensuring that our service meets customers' expectations.

Because restoring service quickly and safely after a storm is a key part of our commitment, I would like to provide an overview of FirstEnergy's service restoration process, which is recognized by the Edison Electric Institute as one of the best in the industry, and was implemented by Met-Ed and Penelec in response to Hurricane Irene.

Let me begin by highlighting that safety is essential to all FirstEnergy activities, and throughout every stage of our service restoration process, safety is our top priority. We ensure employees have the tools, information and procedures necessary to perform their duties in a manner that ensures safety for themselves, their coworkers, our customers and the public.

Another key element of our service restoration process is the planning, preparation and pre-staging efforts that we initiate days before a storm strikes. As part of those efforts, company meteorologists monitor weather reports and track storms to assess the potential impact on our electric infrastructure and service territory.

If we determine that a storm could potentially disrupt service, company leadership and operations managers from across our system hold conference calls and meetings to evaluate the need for hazard responders, damage assessors, line crews and equipment. This core management team also assesses the need for mutual assistance crews from other FirstEnergy operating companies, and outside utilities and contractors.

Depending on the magnitude of the storm, we prepare staging areas for the efficient deployment of crews, vehicles and supplies. At the same time, our External Affairs managers establish communications with emergency management agencies, local officials and regulators to keep them apprised of our preparation and planning efforts.

In the early stages of service restoration, damage and hazard assessors respond to reports of damage to the electric infrastructure and locate electrical hazards – such as downed and potentially energized wires and related electrical equipment – and make them safe.

Next, forestry crews clear fallen trees, branches and other debris so utility workers can

repair and re-energize damaged power lines. This effort represents a significant portion of our work after a storm.

Once debris has been cleared, crews focus on restoring service to hospitals, critical care and life-support facilities, fire departments and other first responders on a high-priority basis. Service is then restored to high-voltage transmission equipment, lines and substation facilities, because they supply power for local distribution systems. After that, we make repairs that will bring the greatest number of customers back in service. Following that, repairs that restore service to individual customers occur. To reinforce safety procedures and practices throughout this process, FirstEnergy safety representatives work alongside our crews as they make repairs to lines, substations and other equipment.

We also implement an integrated communications strategy for reaching customers, media outlets and local officials. This strategy includes news releases, media advisories and website content that provide timely information on storm preparation, the number of customers restored to service, the number of customers remaining without power, our service restoration efforts and electrical safety. Our advertising and face-to-face outreach is closely aligned with our service restoration efforts, and includes safety messages that run in newspapers, on the radio and as online banner ads.

To help manage the potentially large number of calls from customers during and after a storm, we also increase staffing levels at our contact centers. Customer service representatives provide outage information and estimated restoration times to customers. Additionally, our interactive voice response system is designed to be able to provide similar information.

Now, I would like to provide information specific to Met-Ed's and Penelec's response to Hurricane Irene.

In our Met-Ed service area, we began monitoring weather reports on Monday, August 22, when the storm's path was still uncertain. Over the next couple of days, when forecasts indicated the storm could potentially impact the Met-Ed area, we initiated our planning and preparation efforts in accordance with FirstEnergy's service restoration process.

On Thursday, August 25, Met-Ed began making logistical arrangements for vehicles, supplies and equipment – including a mobile command trailer – and confirmed five staging sites. We inventoried materials in our line shops and placed orders for any needed supplies. The next day, company leadership and operations managers from across our system held conference calls and meetings to confirm logistics and pre-staging and receive updates from company meteorologists on the timing, direction and potential impact of the storm. We also booked more than 250 hotel rooms in the Easton and Stroudsburg area and 60 rooms in the Reading and Boyertown area to accommodate crews that could potentially be deployed to those communities and nearby.

By Saturday, August 27, more than 100 workers – including hazard responders and damage assessors – were deployed from other FirstEnergy operating companies. We established crew staging areas in Easton and Oley. That evening, Hurricane Irene hit the entire Met-Ed service area with heavy rains and sustained winds in excess of 40 miles per hour. On Sunday, we established a staging area in York and continued to secure resources from other FirstEnergy companies as wind gusts in excess of 50 miles per hour and heavy rains continued for 10 to 15 hours in the region.

To reinforce our efforts, we requested up to 200 linemen from the Mutual Assistance Member Association (MAMA) and the Southeastern Electric Exchange (SEE). At the beginning of the storm, however, no external mutual assistance crews were available within two to three days travel time as MAMA and SEE could not fill requests for more than 5,000 line workers per day. However, we were able to secure crews from the Pennsylvania Rural Electric Association who began working on August 31.

In addition to 681 Met-Ed workers, our service restoration efforts required the deployment of 611 workers from other FirstEnergy operating companies, 123 external mutual assistance workers, and 381 line and forestry contractors – for a total of nearly 1,800 utility workers. And, although the storm disrupted service to 224,735 customers, over the duration of the storm, 129,210 customers – or 57 percent – experienced an outage duration of 12 hours or less.

Now, I would like to turn to Penelec's service restoration efforts, which began on Thursday, August 25 – three days in advance of the storm reaching the area. Similar to the procedures and practices that were being implemented at Met-Ed, we held conference calls and meetings to plan and pre-stage dispatch, hazard, line and forestry crews as well as equipment and supplies.

When the storm struck on Sunday, August 28, crews were in place and ready to start work – including workers from The Illuminating Company, Monongahela Power and the non-affected areas of Penelec. Given that assistance from other FirstEnergy operating companies was sufficient, Penelec did not request external mutual assistance. In addition, we made arrangements with Haverfield Aviation for a helicopter to begin inspecting transmission and distribution lines for damage.

In total, 540 workers – including 489 FirstEnergy employees and 51 line and forestry contractors – were deployed in our Penelec service area. Although the storm disrupted service to 60,735 customers, over the duration of the storm, 45,581 customers – or 75 percent of those affected – experienced an outage duration of 12 hours or less.

To put in perspective the extent of Irene's destruction across the Met-Ed and Penelec service areas, we repaired or replaced 173 poles, 343 cross arms and 140 transformers. And, we replaced 21 miles of wire, in addition to the miles of wire that was reattached to poles. In the Met-Ed service area alone, the amount of equipment and miles of wire we repaired or replaced are equivalent to what would be required to build a brand-new electric system for a borough the size of Dillsburg or Hummelstown.

In all, more than 2,300 individuals – including employees, contractors and mutual assistance crews – worked around-the-clock in support of Met-Ed's and Penelec's service restoration efforts.

Keeping customers informed before, during and after a storm of this scale is essential.

To that end, our communications outreach to customers, local officials, media outlets and critical customers emphasized the status of our restoration efforts and the process we use to safely restore service to the largest number of customers.

Across the FirstEnergy system, we produced 14 news releases and 10 media advisories that were distributed to some 2,600 media outlets. We responded to more than 200 media inquiries and conducted 12 live, on-camera interviews in Pennsylvania alone. And we enlisted the assistance of additional employees to help communicate our service restoration efforts.

On the FirstEnergy website, we created a Hurricane Irene site that was updated daily with news releases, media advisories, outage maps and safety tips as well as information on free water and ice availability. And our contact centers in Pennsylvania handled more than 171,000 customer calls from August 27 to September 5.

Along with the safety message I mentioned earlier, our advertising outreach included a basic explanation of our service restoration process and a "thank you" to customers when restoration was complete. These ads ran in major newspapers, including print and online editions, and on the radio in much of our Pennsylvania service areas.

As expected from a storm of this size and strength, we encountered numerous impediments to our service restoration process. Workers contended with downed wires, washed out roads and considerable debris to gain access to nearly 8,400 trouble locations. Difficult terrain, flooding and off-road damage also hampered our restoration work. Crews working in unfamiliar territory had difficulty routing around flooded areas.

Intermittent telecommunications service and radio coverage in some areas also presented challenges. And, a shortage of local hotel accommodations increased travel times for crews to arrive at their assigned work locations.

Just days after we completed our service restoration efforts in response to Hurricane Irene, Tropical Storm Lee struck the Met-Ed and Penelec service areas with record rainfall. Significant flooding made roads inaccessible for days and hindered our service restoration work. In all, Tropical Storm Lee disrupted service to 56,278 Met-Ed customers and 29,336 Penelec customers.

Although both storms presented us with many challenges, we performed well in a number of key areas. For example, despite working under difficult and hazardous conditions, we had very good safety results, with no significant injuries to our crews or customers.

These solid results are a tribute to the skill, focus and dedication of our workforce who make safety our number one priority.

In addition, our ability to plan, prepare and pre-stage an efficient and flexible response consistent with FirstEnergy's service restoration process was instrumental to our success. Another key success factor was the high level of cooperation we received from mutual assistance organizations and the crews who worked alongside our workers to restore service quickly and safely.

Our effective use of a helicopter patrol to assess damage to our transmission and distribution lines in otherwise inaccessible areas helped us get those lines re-energized and back in service sooner. And, our "isolate and make safe" process enabled us to separate trouble locations, make them safe, restore service and move on to the next location.

Although our response to Hurricane Irene was strong, we understand the frustration of customers who were without power and know there are opportunities to enhance our performance. To that end, consistent with our practice following significant storm

events, we held meetings to discuss "lessons learned" and identified areas to focus on in future storms.

We recognize the need to continue working to ensure more consistent and accurate communication with community leaders, especially regarding the extent of the damage to our electric system. We also are looking at ways to enhance our communication with local officials and customers with respect to estimated service restoration times. We are reviewing how to enhance our communication efforts, which could include using additional employees with these skill sets from other FirstEnergy companies that would assist with the communication efforts in future storms.

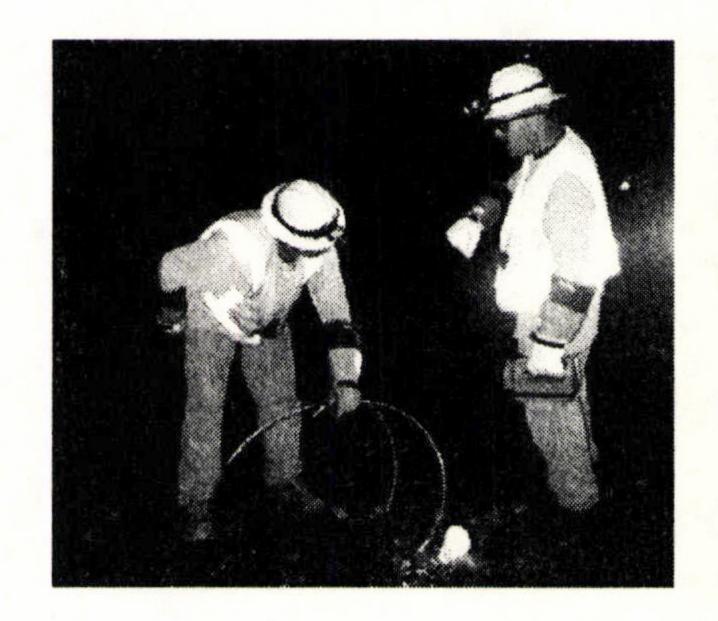
Moreover, we are exploring the potential use of social media channels to communicate with customers during a storm. And to improve our customers' ability to access outage information, we're looking into creating a more user-friendly, mobile version of our website that customers could access through their mobile phones or other devices.

In the area of operations, the addition of mutual assistance crews to our workforce created unique issues. For example, our safety guidelines require a FirstEnergy employee to hold an electrical clearance control for mutual assistance crews or contractors who operate a field device, such as a switch or cutout. In this storm, expanded clearance control could have helped, given the number of mutual assistance crews. In the future, we will strive to see that a sufficient number of employees hold such clearances to ensure a more efficient use of mutual assistance crews and contractors.

Also, as you may know, it was extremely difficult to find additional hotel rooms in Penelec's service area and the northern part of Met-Ed's service area. We were left with little room in some areas to house our work crews. To remedy this situation in the future, we're considering alternative lodging arrangements – such as mobile trailers or cots in our line shops – for crews when local hotel rooms are unavailable.

In closing, while Hurricane Irene presented many challenges, our response was well-coordinated, effective and safe. During this difficult situation, our employees, mutual assistance crews and contractors came together to implement our established and proven process to restore service to customers quickly and safely.

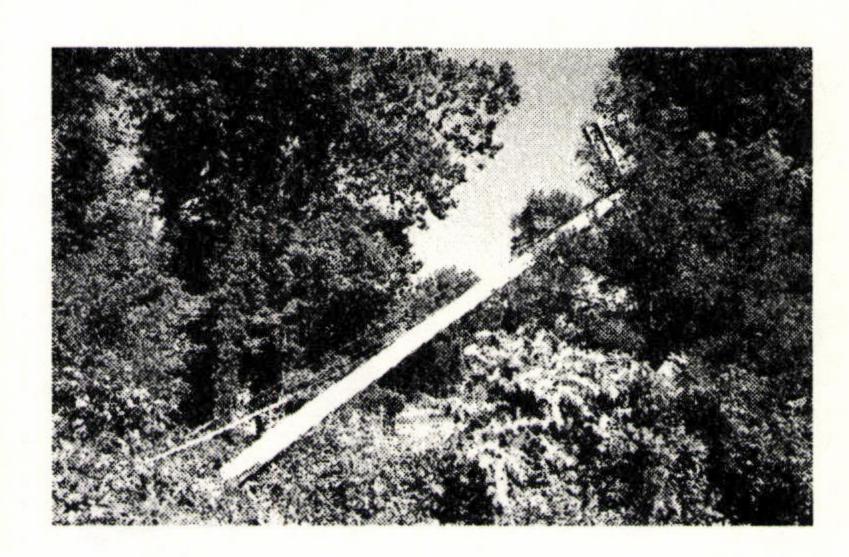
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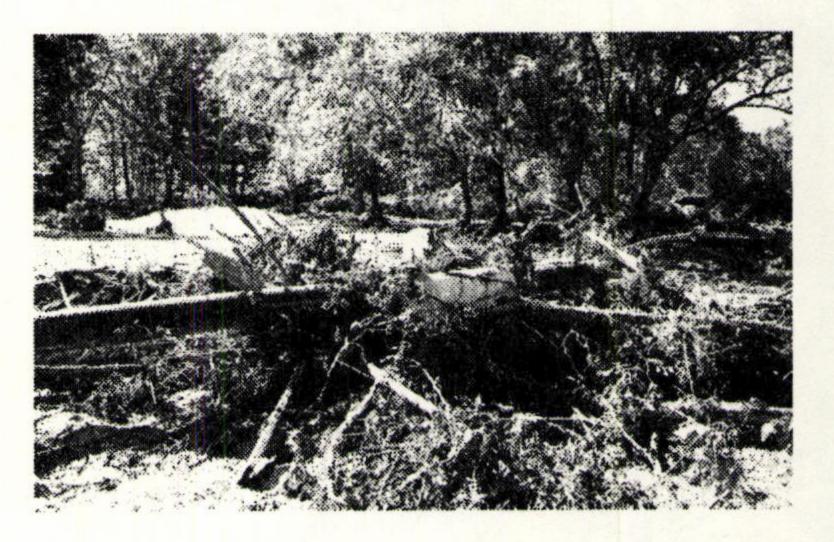
Easton, PA



Lopez Bridge, Sullivan County, PA



Forkston, PA



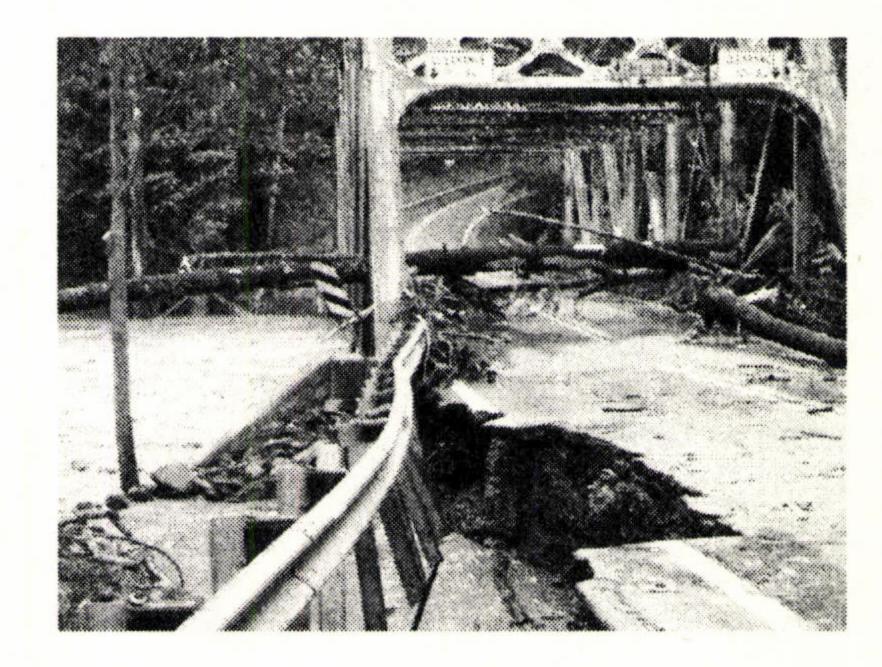
Forkston, PA



Forkston, PA



Myerstown, PA





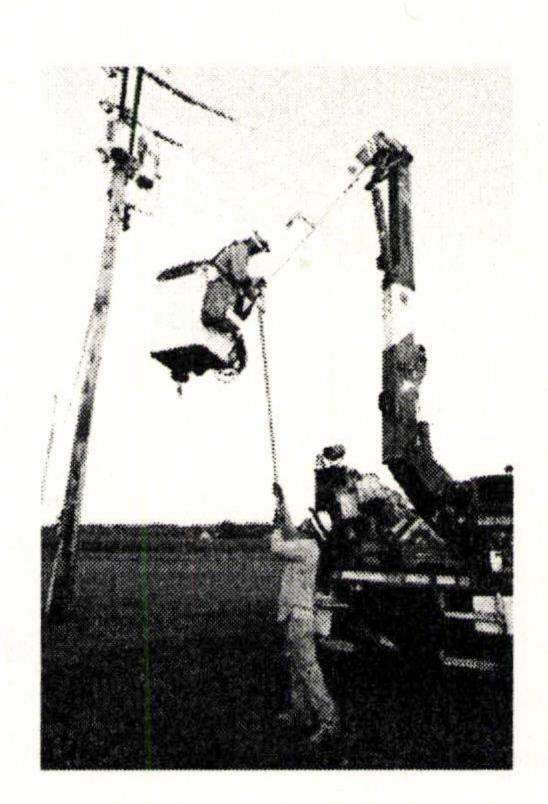
SR87 bridge over Mehoopany Creek, Wyoming County, PA



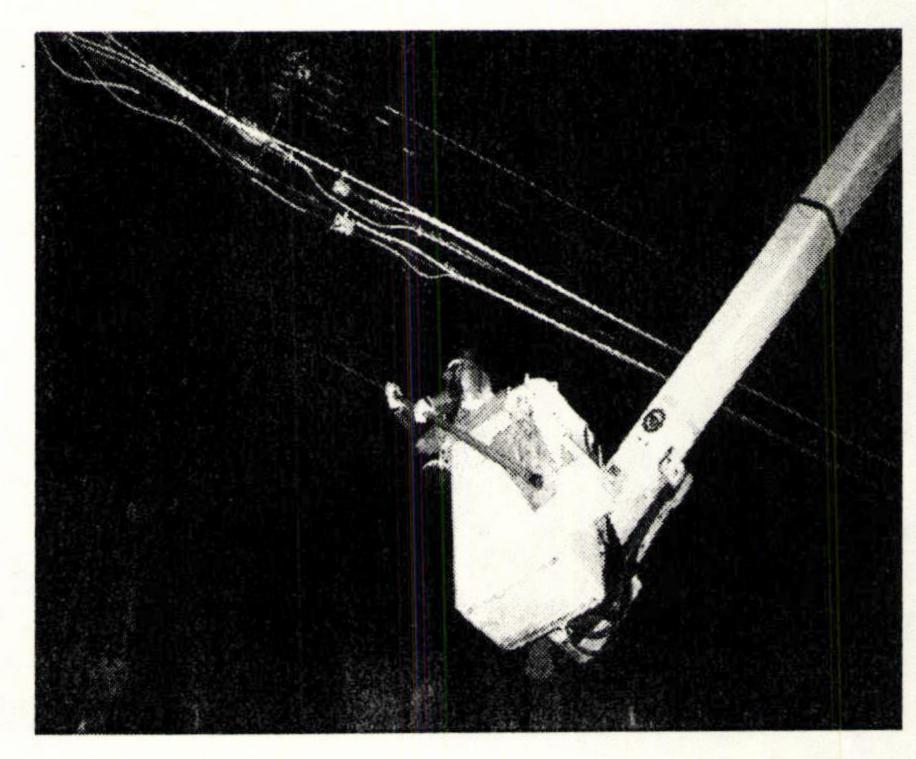
Hershey, PA



Reading, PA

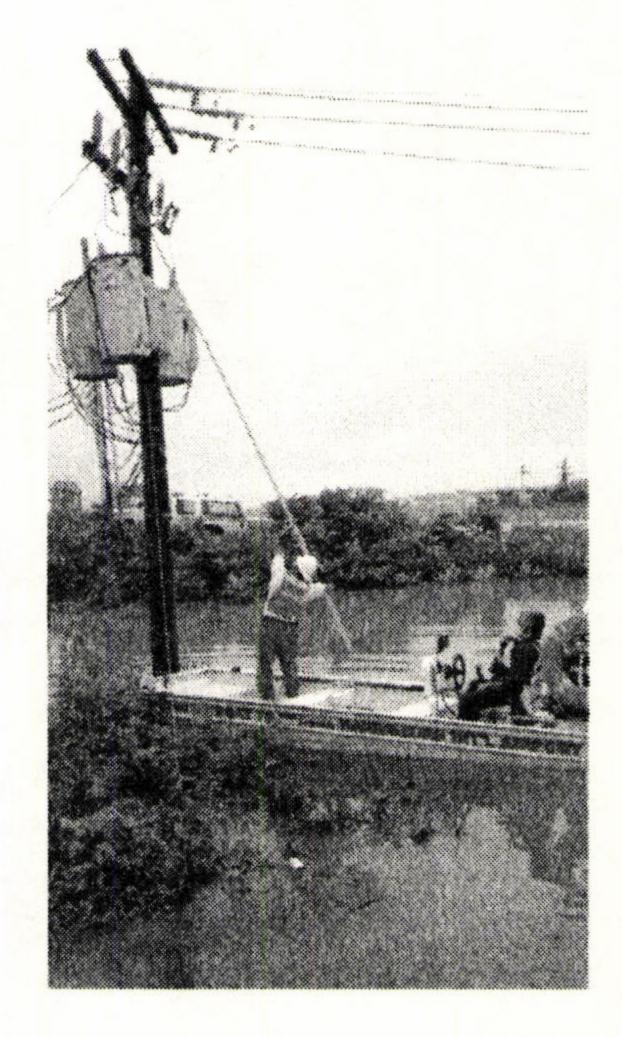


Easton, PA

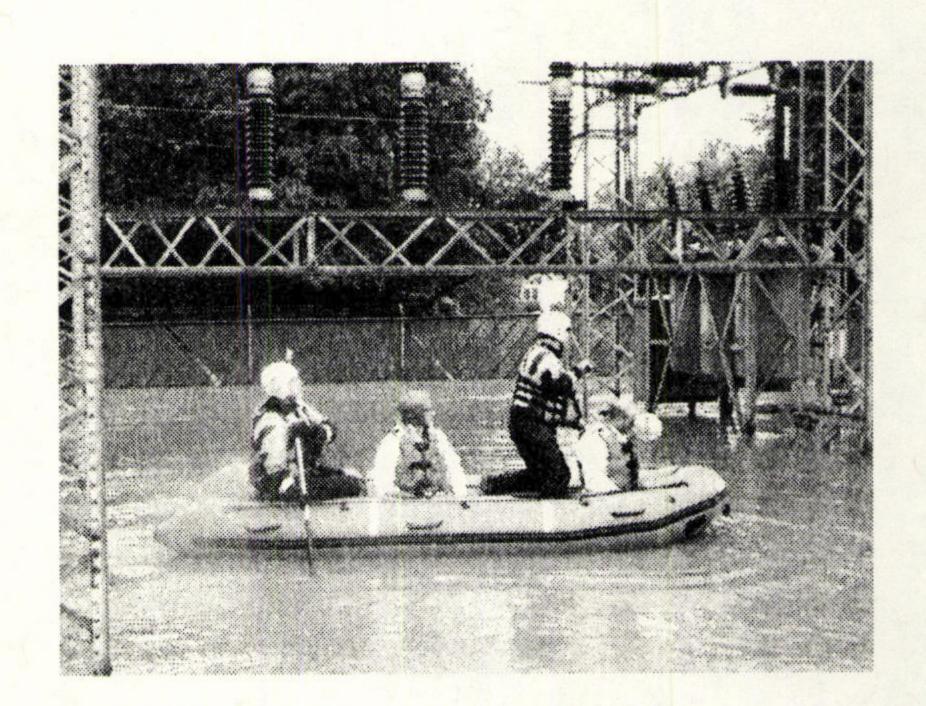


Easton, PA

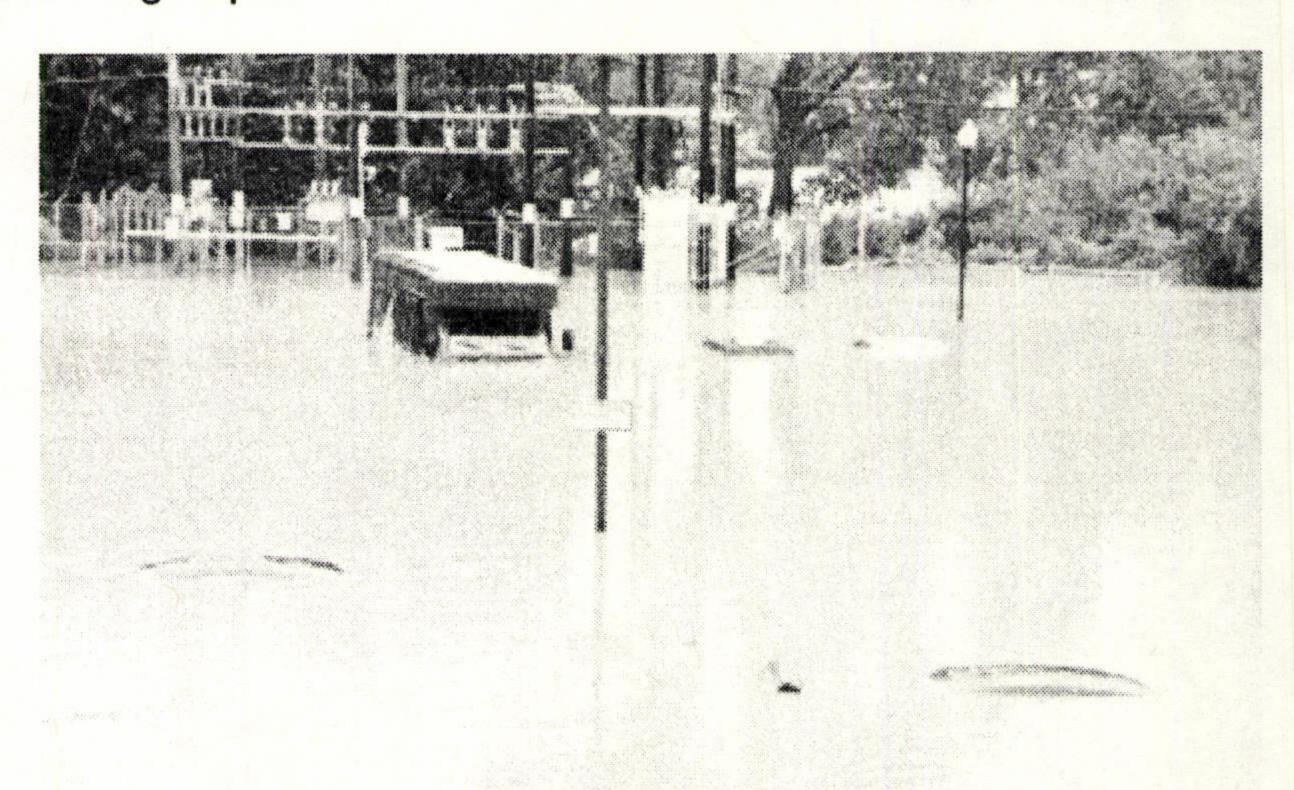
These photos show damage in the wake of Tropical Storm Lee:



Near Harrisburg Airport



Mill Street Substation, Middletown, PA



Submerged substation on the Merrill Parkway in Towanda, PA