

**Testimony of
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**Before the Senate Consumer Protection and Professional Licensure Committee
and the Committee on Veterans Affairs and Emergency Preparedness**

Storm Outages and Response

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Chairs Tomlinson and Baker, and members of the Committees: thank you for the opportunity to present testimony on the Public Utility Commission's (PUC) role in responding to the power outages caused by Hurricane Irene and Tropical Storm Lee.

I would like to begin by commending the Pennsylvania Emergency Management Agency (PEMA), under the leadership of Lieutenant Governor Jim Cawley, for the outstanding work it did coordinating the response to these storms. Also deserving of recognition is the State Emergency Operations Center (SEOC), which was staffed 24 hours a day, 7 days a week by our state agencies to ensure the safety of the Commonwealth's residents during these storms. Needless to say, Pennsylvania is fortunate to have such a capable and dedicated emergency response team headed by PEMA and aided by the SEOC's participating agencies.

The PUC's role during severe weather incidents takes many forms. Among other things, the PUC provides staff liaisons to the SEOC to help with the storm response. The PUC also gathers utility outage data and restoration estimates, and conveys that information to PEMA and the SEOC.

Power outages often have downstream effects, such as outages at water and wastewater facilities, road closings, and phone outages in the more remote areas. In light of this, the PUC staff works with electric utilities to prioritize restoration to key infrastructure such as water and wastewater plants, as well as to critical customers such as hospitals, nursing homes, and prisons. The PUC also coordinates with jurisdictional water utilities to provide potable water tankers to communities in need. In addition, PUC staff assists utilities when they have a resource request, such as need for a generator, help clearing roads, or a list of road closures.

Now that you have a general idea of the PUC's role during severe weather incidents, I will turn to the specifics of our agency's response to the two major storms the Commonwealth recently experienced – Hurricane Irene and Tropical Storm Lee.

Hurricane Irene

As you know, Hurricane Irene was a large and powerful Atlantic hurricane that left extensive flood and wind damage along its path through the Caribbean, up the east coast of the United States, and as far north as Canada. Hurricane Irene brought with it 10 inches of torrential rains and more than 24 hours of winds gusting up to 75 mph. According to the U.S. Department of Energy, the storm left nearly 7 million customers without power in 14 states.

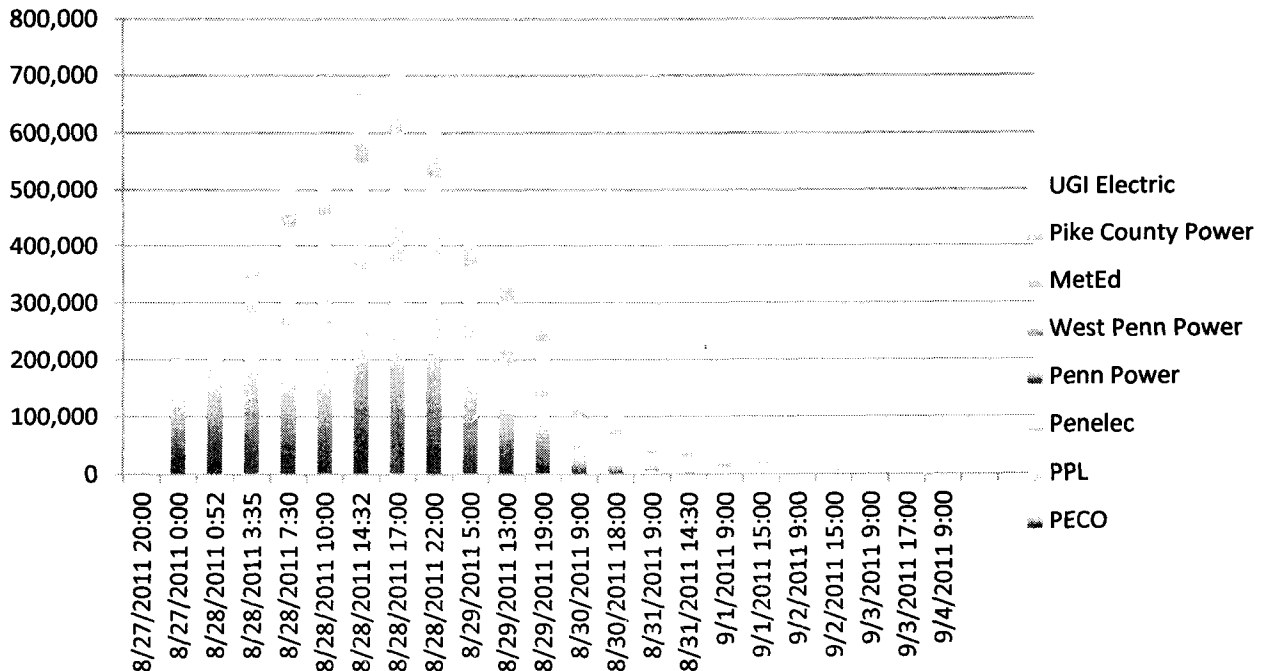
Locally, high winds and heavy rain began to affect southeastern Pennsylvania during the late afternoon of August 27th, and by midnight, about 220,000 customers were without power. The high winds continued to expand and began affecting the eastern third of the Commonwealth during the overnight and morning hours of August 28th. By 5:00 p.m. that day, electrical outages reached their peak of more than 768,000 customers without power. Overall, more than 1.3 million Pennsylvanians lost power at

some point during the storm. That number represents 23 percent of the state's 5.6 million electric customers.

At PEMA's request, PUC staff reported to the SEOC early in the afternoon on August 27th, and continued with 24-hour staffing until late evening on August 28th. The PUC then went on a 24-hour, on-call status, responding to utility resource requests, gathering outage status reports, and generally providing assistance as needed.

In addition, on Sunday, August 28th, I conducted a conference call with the senior management of the electric, natural gas, water, and telephone utilities affected by the storm. The utilities provided the PUC and other participants with real-time information and assessments of damage, updates on ongoing restoration efforts, and shared the additional resources that were needed. The PUC convened another call with the same companies on Wednesday, August 31st to obtain a 72-hour update. A representative from the Lieutenant Governor's office participated in that call. These conference calls helped the PUC keep abreast of the situation and identify where mutual assistance was needed, particularly when it came to ensuring the availability of potable water supply.

Amazingly, approximately 94 percent of the customers who lost power during Hurricane Irene had their service restored within 72 hours. The remaining 6 percent of customers had their service restored within 10 days. The following chart illustrates the number of outages across the state in the different utility territories over an eight day period.



As an example of the number of outages and damage that Hurricane Irene caused, in the PECO territory alone more than 511,000 customers were without power over the

course of the storm and the damage required the replacement of 316 poles, 1,509 cross arms, 278 transformers, 90 miles of wire, 5,019 insulators, and 11,001 fuses. Hurricane Irene caused service disruptions in the FirstEnergy Companies' territory for more than 285,000 customers, as well as the replacement of 173 poles, 343 cross arms, 140 transformers, and 21 miles of wire. Given the number of outages and the extent of the damage, the quick and efficient response of our state's electric utilities for the majority of customers is pretty remarkable.

Tropical Storm Lee

The remnants of Tropical Storm Lee hit Pennsylvania late on Tuesday, September 5th, and the heavy rain continued for the next several days. The flooding that resulted from the storm stretched late into the weekend. Fortunately, the winds associated with Tropical Storm Lee were not as severe as those accompanying Hurricane Irene. As a result, statewide electrical outages peaked at only 42,000 on the evening of September 8th, and were largely restored by the evening of September 11th.

However, there were several thousand natural gas, telephone, and water outages in areas that experienced flooding, such as Bloomsburg, Wilkes-Barre, and Harrisburg. Those outages took longer to restore because utilities had to wait for the flood waters to recede and for customers to assess the damage to their homes and businesses before commencing repair work. Many homes and businesses are still uninhabitable and do not have normal utility service due to extensive flood damage.

To aid the several thousand residents that are still displaced from their homes, FEMA is coordinating with the Commonwealth to place temporary housing units in the damaged areas. As part of this effort, PEMA requested assistance from the PUC in coordinating expedited electric utility service for the temporary housing units. As a result, PUC liaisons have been working with the Commonwealth's electric utilities and FEMA to establish a process for expedited utility service and communication. The process is now in place and several housing units are operational with hundreds more potentially on the way.

Special Electric Reliability Forum

In the wake of these major storms, the PUC decided to convene a Special Electric Reliability Forum on October 12th. The purpose of this forum was to assess the response of the state's electric utilities to the recent storms and determine how we can improve our response the next time we encounter a severe weather incident.

The electric utilities that participated in the forum included: the FirstEnergy Companies - Metropolitan Edison Co. and Pennsylvania Electric Co.; PECO Energy Co.; PPL Electric Utilities Corp., UGI Utilities Inc., and Pike County Light & Power. These utilities were unanimous in reporting that Hurricane Irene was one of the worst storms to hit their service territories – not only in terms of the number of customers who lost power, but also the duration of the storm and the amount of infrastructure damage.

The participating utilities conveyed the following successes with respect to their storm response:

- Utilities' efforts to pre-stage materials and equipment helped reduce outage times.
- Utilities' efforts to preplan for the storm – particularly their steps to secure additional line crews and practice drills – increased the efficiency of the outage response.
- The crews in the field remained safe while working to restore power.
- The mutual aid agreements that already existed between utilities helped them secure additional staff and aid as needed.

Utilities also reported the following "lessons learned" with respect to their storm response:

- Utilities' systems for handling customer phone calls during outages need improvement.
- Utilities' methods for notifying customers during outages should be more technologically-friendly (i.e., e-mail alerts, mobile-friendly web access, and social media).
- Utilities should enter into more arrangements in advance with organizations that can provide assistance during outages as needed.
- Utilities should have access to improved weather forecasting.

In addition, I suggested that through the state trade association, the utilities create their own forum to share information and lessons learned in the wake of severe weather-related incidents. The state trade association president agreed to create such a forum.

Overall, the Special Electric Reliability Forum was a successful tool for examining utilities' responses to the outages caused by Hurricane Irene. The information shared during the forum will help the PUC provide additional guidance to our jurisdictional utilities regarding customer notifications and prompt restoration during outages.

Outage Policy Statement

One suggestion the PUC has often heard in the wake of severe weather incidents is that utilities should improve their communication with customers during service outages. As a result, the PUC has proposed an Outage Policy Statement to establish guidelines for how electric utilities should communicate with the public during these times. The proposed policy statement contains a series of recommendations designed to improve the timeliness and effectiveness of utilities' communications with customers during outages.

The proposed policy statement recommends that electric utilities, among other things:

- Develop a written crisis communication plan.
- Establish a Joint Information System or Center to coordinate responses when multiple utilities in the same region are affected by an incident.
- Communicate with customers and the news media in a consistent fashion during widespread services outages.
- Establish a schedule for the regular release of information to the news media through a single point of contact.
- Use the best available technology to facilitate the distribution of information to customers and the news media.
- Enhance communications with local government officials.
- Work across geographic regions when necessary.

The PUC has released the proposed policy statement for public comment. The PUC is currently reviewing these comments and intends to provide further direction on these issues through a final policy statement in the near future.

Outage Rulemaking

On September 22nd, the PUC also approved a final rulemaking that revises the regulations governing utility responses to large-scale service outages. The goals of the rulemaking are to (1) ensure that our state's electric, natural gas, water, wastewater, and telephone utilities respond effectively to unscheduled outages; and (2) establish a uniform approach for reporting standards among industries in the event of an outage.

The amendments to the regulations in this rulemaking include, among other changes:

- Expanding the regulations to capture more reportable events, such as cyber security attacks and events that involve damages to a utility company by another utility company.
- Expanding the provisions regarding service outages so that utilities are required to report the total number of sustained outages, as well as the number of outages broken down by county, and the number of outages exceeding 6 hours in duration.
- Expanding the regulations to require utilities to report not only the number of utility workers responding to the incident, but also the contract workers assigned to repair and mutual aid work.
- Revising the regulations regarding the reporting of accidents involving injured persons.

The changes embodied in this rulemaking will result in an even more effective response to future unscheduled services outages. Currently, the state's Independent Regulatory Review Commission (IRRC) and our Legislative Oversight Committees are reviewing this final rulemaking.

Conclusion

The PUC understands the frustration customers experience when their power goes out. The novelty of trying to live everyday life without electricity wears off quickly. Moreover, power outages that last for an extended period of time can cause both physical and financial hardships. For these reasons, the PUC takes very seriously its duty to ensure safe and reliable electricity service throughout the state.

In the wake of Hurricane Irene and Tropical Storm Lee, the story we have to tell is in large part a positive one, with hundreds of thousands of customers having their power restored within 72 hours. However, we are aware that many others were left without electric service for up to 10 days. Accordingly, the PUC is taking this opportunity to conduct a full and thorough review of the utilities' responses to the storms and to incorporate those lessons into the Policy Statement and Rulemaking mentioned above. These steps will help the Commonwealth's utilities improve their responses to future unplanned, long-term outages.

Thank you again for the opportunity to speak this morning. I welcome any questions you may have.