

BEFORE THE
NEW YORK STATE
PUBLIC SERVICE COMMISSION

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Proceeding on Motion of the Commission as to the
Rates, Charges, Rules and Regulations of
New York State Electric & Gas Corporation
for Electric Service

Case 19-E- _____

Proceeding on Motion of the Commission as to the
Rates, Charges, Rules and Regulations of
New York State Electric & Gas Corporation
for Gas Service

Case 19-G- _____

Proceeding on Motion of the Commission as to the
Rates, Charges, Rules and Regulations of
Rochester Gas and Electric Corporation
for Electric Service

Case 19-E- _____

Proceeding on Motion of the Commission as to the
Rates, Charges, Rules and Regulations of
Rochester Gas and Electric Corporation
for Gas Service

Case 19-G- _____

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**DIRECT TESTIMONY OF
EMERGENCY PREPAREDNESS PANEL**

**Charles J. Eves
Patricia H. Nilsen
Joseph J. Syta**

May 20, 2019

DIRECT TESTIMONY OF EMERGENCY PREPAREDNESS PANEL

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I. INTRODUCTION

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Q. Please state the names of the members on this Emergency Preparedness Panel (“Panel”).

A. We are Charles J. Eves, Patricia H. Nilsen, and Joseph J. Syta.

Q. Mr. Eves, please state your title and business address.

A. I am the Vice President, Electric Operations for Avangrid Networks Inc. (“Avangrid Networks”), a parent company of New York State Electric & Gas Corporation (“NYSEG”) and Rochester Gas and Electric Corporation (“RG&E” and together with NYSEG, the “Companies”). My business address is 180 Marsh Hill Road, Orange, Connecticut 06477.

Q. Please summarize your work experience and educational background.

A. I have worked in the utility industry for approximately 30 years, first at United Illuminating Company (“UI”), and then at Avangrid Networks. Prior to my current position, I served in the Projects area as Director, Technical Services and have held the positions of Senior Director for the Operational Excellence Initiative, and Senior Director of Engineering and Strategic Planning at UI. I have a BS in Electrical Engineering from Villanova University, as well as an MS in Management of Technology and an MS in Electrical Engineering from Rensselaer Polytechnic Institute. I am also a registered professional engineer in the State of Connecticut. I am currently on the Electric Power Research Institute (“EPRI”) Leadership Team. My Curriculum Vitae (“CV”) is set forth in Exhibit __ (EPP-1).

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1 Q. Have you previously testified in other proceedings before the New York State Public
2 Service Commission (“Commission” or “PSC”) or any other state or federal regulatory
3 agency?

4 A. I have not testified before the PSC, but I have testified on several occasions before the
5 Connecticut Public Utilities Regulatory Authority.

6 Q. Ms. Nilsen, please state your title and business address.

7 A. I am the Director of Emergency Preparedness at Avangrid Networks. My business
8 address is 101 Murray Hill Road, Vestal, New York 13850.

9 Q. Please summarize your work experience and educational background.

10 A. I have worked in the utility industry for approximately 27 years, first at NYSEG and then
11 at Iberdrola USA and Avangrid Networks with positions in Engineering, Human
12 Resources, Customer Service, Corporate Communications, and Public Affairs. I have
13 been employed with the Emergency Preparedness Department since the group was
14 formed in 2013. I hold a BA from Alfred University, an MA from Syracuse University in
15 English, and an MS from Elmira College in Education. My CV is set forth in
16 Exhibit __ (EPP-1).

17 Q. Have you previously testified in other proceedings before the Commission or any other
18 state or federal regulatory agency?

19 A. No.

20 Q. Mr. Syta, please state your title and business address.

21 A. I am the Vice President, Controller and Treasurer of NYSEG and RG&E. My business
22 address is 89 East Avenue, Rochester, New York 14604.

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1 Q. Please summarize your work experience and educational background.

2 A. I started my career at RG&E in 1985 and became responsible for NYSEG as well after
3 the 2002 merger of RG&E and NYSEG under Energy East. I assumed my current
4 position in 2004. Prior to joining RG&E, I was a consultant specializing in the utility
5 industry. I hold a BS from Rensselaer Polytechnic Institute and an MBA from the
6 William E. Simon School at the University of Rochester. My CV is set forth in
7 Exhibit __ (EPP-1).

8 Q. Have you previously testified in other proceedings before the Commission or any other
9 state or federal regulatory agency?

10 A. I have testified before the PSC in numerous cases dating back to 1989. Most recently,
11 I testified before the Commission in the Companies' last rate proceedings,
12 Cases 15-E-0283 et al.

13 **II. IDENTIFICATION AND SUMMARY OF EXHIBITS**

14 Q. Is this Panel sponsoring any exhibits?

15 A. Yes. This Panel sponsors the following exhibits:

- 16 1) Exhibit __ (EPP-1) provides the CVs of the witnesses on this Panel; and
17 2) Exhibit __ (EPP-2) provides the proposed staffing and organization of the
18 Companies' Emergency Preparedness Department (the "Department").

19 Q. What is the purpose of the Panel's testimony?

20 A. This Panel: 1) provides an overview of the Department and Electric Emergency Plan
21 (the "Plan"); 2) addresses the New York State Department of Public Service Staff
22 ("Staff") 2018 Winter and Spring Storms Investigation Report filed on April 18, 2019, in
23 Case 19-M-0285 - In the Matter of Utility Preparation and Response to Power Outages

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1 During the March 2018 Winter and Spring Storms (the “2018 Staff Storm Report”); and
2 3) presents the Companies’ required and proposed emergency response programs for
3 event readiness and response for the Rate Year.

4 **III. EMERGENCY PREPAREDNESS DEPARTMENT AND EMERGENCY PLAN**

5 **A. Department Overview**

6 Q. What are the Department’s responsibilities?

7 A. The Department engages in all aspects of event readiness and response, such as:

8 1) coaching Area and Incident Command staff; 2) observing and assisting in
9 decision-making for readiness and response; 3) participating in each event response;
10 4) building and managing internal and external relationships; and 5) applying lessons
11 learned to prepare the Companies to effectively respond to all emergencies. Importantly,
12 the Department provides oversight regarding requirements for electric emergency
13 management, including filing the annual Plan and monitoring activities associated with
14 that Plan. The Department also serves as lead liaison with Staff, utility and municipal
15 emergency management personnel and emergency response personnel at the Federal and
16 State levels.

17 Q. Does the Department also support natural gas emergency response in New York?

18 A. Yes. The Department’s New York team supports natural gas emergency response and the
19 Companies have undertaken natural gas emergency response events due to flooding and
20 loss of supply.

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B. Electric Emergency Plan

1
2 Q. How do the Companies manage electric emergency readiness and response?

3 A. The Companies use the Plan as a guide to prepare for, respond to, and evaluate
4 performance in an emergency event. The Plan, applicable to both NYSEG and RG&E, is
5 filed at the Commission, reviewed by Staff and approved by the Commission. The Plan
6 covers the following areas: safety; event classifications; Incident Command System;
7 roles at Area Command and Incident Command; field resources; readiness; event
8 preparation; restoration; communications with customers, public officials and the media;
9 critical facility and special needs customers; dry ice and bottled water acquisition and
10 distribution; and post-event after action reviews. The Plan also includes Emergency
11 Operating Procedures (“EOPs”) that have been developed as specific guidelines for event
12 management. EOPs are used to document processes and procedures in more detail than
13 may be outlined in the Plan and are often used as training documents or checklists by
14 emergency responders.

15 Q. Since Ms. Nilsen formally assumed the role of Director – Emergency Preparedness, have
16 you observed any changes in the number of impactful weather events affecting the
17 Companies?

18 A. Numerous major and minor weather events have occurred during the last three years,
19 with six events being particularly impactful to the Companies’ customers. In March
20 2017, the Companies responded to a significant wind event that mainly affected
21 customers in the Rochester and Lancaster/Lockport divisions for RG&E and NYSEG,
22 respectively. In March, April and May 2018, the Companies responded to two

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1 Nor'easters, two tornado/wind events, and a severe thunderstorm affecting primarily
2 NYSEG's Brewster and Liberty divisions.

3 Q. What emergency preparedness actions have the Companies undertaken due to these and
4 other weather events?

5 A. In response to these significant events, and in response to recommendations from the
6 Companies' most recent management audit, the Department developed a Storm Response
7 Improvement Project, which is comprised of six major projects with supporting
8 subprojects. The improvement projects included under these six major project headings
9 result from formal and informal event "After Action" debriefs. The projects include
10 initiatives related to: improving communications; affecting policy; crew management;
11 resource engagement; work planning; and logistics. The Companies have also conducted
12 outreach with other companies to gather best practices. This effort is chaired by
13 Mr. Eves, and these projects are underway.

14 Q. Have the Companies undertaken any specific processes that they have built into the Plan
15 to enhance their restoration performance?

16 A. Yes. In response to feedback from government officials that criticized the speed of the
17 mutual assistance process and the Companies' ability to provide resources to
18 municipalities for road clearing, the Companies enhanced their acquisition and staging of
19 resources in anticipation of weather events.

20 Q. Have the Companies applied this enhanced acquisition and staging of resources?

21 A. Yes. The Companies note that, particularly in 2018, this enhanced resource acquisition
22 and staging often has occurred without a major event materializing. Because the current
23 allowable cost recovery mechanism for staging costs (i.e., the Major Storm Reserve

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1 Account) limits the number of non-materializing events that are eligible for cost
2 recovery, the actual pre-storm staging costs the Companies have incurred since 2017 far
3 exceed the costs they are able to charge against the major storm reserve. In this current
4 year, as of March 2019, the Companies have already had three staging and response
5 events for storms that have not materialized into major events. Accordingly, as discussed
6 later in this testimony, the Companies are proposing to remove the “number of events”
7 limitations associated with recovering staging costs for events that do not become major
8 storms.

9 Q. Please elaborate on the improvement efforts you mentioned earlier that the Department
10 undertook in response to the increased number and intensity of events and the
11 accompanying increase in event preparation.

12 A. Following the significant events in 2017 and 2018, the Department focused its efforts on
13 improving Emergency Role assignments and training, Damage Prediction Modeling,
14 Planning, Logistics, Damage Assessment, Outage Management, Critical Facility and
15 Special Needs Customer processes, Resource Management, and Municipal Relations
16 functions.

17 Q. Please provide more detail for and the significance of these functions.

18 A. These functions are a representative sampling of those cited in prior investigations, such
19 as the 2017 Windstorm investigation, as areas for improvement; and those that have
20 direct or indirect customer impact. For example, Critical Facility and Special Needs
21 Customer processes are designed such that any buildings identified as “critical” are
22 timely communicated to a community in advance of an event and during an event if they
23 are without power. Similarly, special needs customers, including those who rely on

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1 electrically powered equipment to sustain life (“LSE customers”), receive pre- and
2 during-event communications. The Companies identified a number of ways to improve
3 identification of and communications with these customers, as well as ways to see that
4 Incident Command staff factors these customers into the development of restoration
5 plans. Resource management can include both mutual assistance acquisition and ways to
6 consistently dispatch and manage crew work. Outage management includes the
7 implementation of a new Outage Management System (“OMS”), simulation exercises
8 and support during system changeover and implementation.

9 Q. Have the Companies received comments on the Plan?

10 A. Yes; the Companies received proposed edits, insertions and comments on the Plan from
11 Staff on March 29, 2019. Staff’s draft was reviewed and edited by the Companies’
12 personnel, and then reviewed together with Staff and the Companies’ representatives at a
13 meeting on April 8, 2019. On April 17, 2019, the Companies provided Staff with an
14 additional draft Plan based on that meeting, and on May 20, 2019, the Companies
15 submitted an updated Plan consistent with direction received in the 2018 Staff Storm
16 Report.

17 Q. Please elaborate on other comments the Companies have received on the Plan?

18 A. The 2018 Staff Storm Report contains recommendations from Staff that are to be
19 included in the Companies’ Plan. In addition to the 2018 Staff Storm Report, the
20 Commission issued an Order Instituting Proceeding and to Show Cause (“Show Cause
21 Order”) on April 18, 2019, in Cases 19-E-0105 et al., requiring the New York utilities,
22 including NYSEG and RG&E, to respond to Staff’s recommendations in the 2018 Staff
23 Storm Report and to show cause why the Commission should not pursue civil or

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1 administrative penalties from the utilities for the alleged failure to follow their
2 Emergency Response Plans as approved and mandated by the Commission's regulations
3 (16 NYCRR Part 105) and the Commission's Order Approving Electric Emergency
4 Response Plans on an Interim Basis, issued on April 19, 2018, in Case 17-E-0758.

5 Q. Please explain how the 2018 Staff Storm Report and/or Show Cause Order have
6 influenced the Companies' proposals in this filing.

7 A. The 2018 Staff Storm Report included 77 recommendations that were directed at
8 NYSEG, RG&E or all New York electric utility companies. The Show Cause Order also
9 alleges violations of the Companies' Plan. Both the 2018 Staff Storm Report and Show
10 Cause Order, therefore, have required the Companies to conduct a further assessment of
11 their Plan and other aspects of event readiness and response. The Companies have
12 prepared implementation plans for each applicable recommendation and submitted those
13 proposed implementation plans to the Commission on May 20, 2019. While some
14 implementation plans are likely to be low-to-no cost, and some may have already been
15 implemented or may be implemented quickly, others will require a significant amount of
16 time and resources to design and implement and may require incremental costs. This
17 Panel, as well as the Companies' Electric Reliability and Operations, Vegetation
18 Management, and Resiliency Plan Panels propose initiatives that have been developed
19 based on the 2018 Staff Storm Report and Show Cause Order, as well as the Companies'
20 own self-assessments following each of the storm events. As the Companies continue to
21 implement initiatives in response to the 2018 Staff Storm Report, additional resource
22 needs will be identified. As noted previously, the Companies have filed an updated Plan
23 on May 20, 2019 and also intend to periodically update the Plan to reflect further

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1 implementation of the 2018 Staff Storm Report’s recommendations subsequent to the
2 May 20 filing.

3 **C. Staffing**

4 Q. What is the Department’s current composition?

5 A. The Department’s New York team members currently are comprised of: 1) one
6 Director – Emergency Preparedness; 2) two Managers – Operational Readiness; 3) one
7 Manager – Emergency Preparedness Projects; and 4) one Manager – Outreach and
8 Municipal Relations (a new position as of March 2019). While the New York team
9 members are primarily responsible for NYSEG and RG&E events and initiatives, they
10 also participate in Level 3 emergencies (i.e., significant events lasting 72 hours or longer)
11 at other Avangrid Networks utility companies. The Department is also responsible for
12 emergency preparedness for the other Avangrid Networks utility companies and has team
13 members located in the affiliate Companies that report to the Director – Emergency
14 Preparedness. The Department’s New York team members support Area Command for
15 electric and gas emergencies in Command staff roles.

16 Q. Have the Department’s activities increased since the Department was first established
17 in 2013?

18 A. Yes, they have increased considerably, largely due to the marked rise in both major and
19 minor storms, especially in the last two years. More recently, as noted earlier in our
20 testimony, event preparations for electric weather events that have not materialized into
21 recoverable storm events have also increased substantially. In addition, the Department
22 has led five Scorecard and Part 105 report filings in 2017 and 2018, and has also
23 managed the Companies’ participation in two post-event investigations by Staff. The

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1 increase in storm preparation and response workloads has affected the New York-based
2 personnel's bandwidth as they have the added responsibility of pre-event and during-
3 event regulatory reporting above that required by their peers in other states. As a result,
4 the New York-based personnel are required to develop event reporting processes and
5 arrange for additional resources to be activated during an event to manage data gathering
6 for reports.

7 Q. Are the Companies proposing additional resources for the Department?

8 A. Yes, the Companies are proposing to add three new manager positions that would be
9 dedicated to specific areas of emergency preparedness: Manager – Operational
10 Readiness – Planning; Manager – Operational Readiness – Logistics; and Manager –
11 Operational Readiness – Natural Gas. The Companies are also proposing to add one
12 Lead Analyst, Critical Facilities. The proposed staffing and organization of the
13 Department is set forth in Exhibit __ (EPP-2).

14 Q. Please explain the need for the Manager – Operational Readiness – Planning position.

15 A. Currently, the Department relies upon other work areas for emergency readiness and
16 response planning functions. In particular, the need for documentation and reporting
17 prior to, during and after event activation has required both Department and other
18 personnel at the Companies to be reassigned or reallocated from their regular roles to
19 assist the Assistant Area Command-Planning with reporting obligations. For example,
20 the Assistant Area Command-Planning must determine available resources during non-
21 event periods, so the Companies are ready for any event, regardless of weather forecast.
22 This requires the on-call individual to be activated each week, pulling individuals from
23 their regular work assignments.

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1 Q. Is it practical to continue this approach?

2 A. No. This reallocation/reassignment approach can slow down event response and external
3 communications. As personnel rotate through the Area Command-Planning role, there
4 are delays in gathering information on staffing levels to provide to Staff, and to State,
5 county and other governmental officials as well as to the Companies' other personnel for
6 use in resource planning, mutual assistance requests, resource allocations and estimated
7 time of restoration calculations. There is no single resource to manage contract line,
8 damage assessor and wire guard arrangements for storm response.

9 The Companies and their respective external stakeholders would, therefore, be
10 better served with having a full-time Department resource, a Manager – Operational
11 Readiness – Planning, assigned to manage the Planning function.

12 Q. Why have the Companies identified Logistics as an area that would benefit from having a
13 dedicated manager?

14 A. Logistics was cited in the Companies' post 2017 Windstorm and 2018 Nor'easters self-
15 assessments as an area for improvement. Currently, the Logistics section is comprised of
16 personnel from other areas of the Companies who do not always have job functions in a
17 similar field. While these individuals could continue in their roles, having a dedicated
18 resource to focus on site selection, base camps, resource tracking, food and lodging list
19 management, and coordination with State and county agencies for housing and materials
20 would allow for a more focused result. Without a dedicated resource for Logistics
21 management, the Department must rely on individuals with competing priorities to
22 manage this function.

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1 Q. Please address the need for a Manager – Operational Readiness – Natural Gas.

2 A. As mentioned earlier, the Department supports an “all hazards” response approach,
3 providing support to areas of the business that require event readiness and response
4 training and event management. In the Physical and Cyber Security area, the Companies’
5 resources are allocated to event preparedness. For the natural gas area, employees are
6 engaged in event response roles and participate in event exercises. However, there is no
7 single resource focused on gas event readiness. It would be appropriate for the
8 Department to have a Manager – Operational Readiness – Natural Gas.

9 Q. What would be the responsibilities of this manager?

10 A. The individual would manage natural gas role assignments, support and facilitate delivery
11 of training, and plan and lead exercises and event after action debriefs.

12 Q. Why are the Companies proposing to add a Lead Analyst, Critical Facilities?

13 A. Currently, NYSEG has more than 4,500 accounts and RG&E has more than 1,700
14 accounts coded as “Critical Facilities.” While Critical Facilities discussions at the
15 municipal level can be managed with assigned personnel across the service area, Critical
16 Facilities management would benefit from a single point of contact who would account
17 for the number and location of the facilities. The proposed Lead Analyst, Critical
18 Facilities, will be responsible for maintaining an accurate and up-to-date Critical
19 Facilities list, to the greatest extent possible. Having a full-time resource allocated to
20 tracking and managing the Critical Facilities list should enable the Companies to have
21 better data to discuss during non-event review meetings at the local municipality (e.g.,
22 town, village) or county level and an improved ability to factor these facilities into
23 restoration planning and reporting during an event.

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1 Q. Are the Companies proposing any other changes to the Department?

2 A. The Companies propose having a senior leadership position responsible for all
3 emergency management across Avangrid Networks. The Companies will have a
4 structure designed to support emergency response and management in each of its service
5 territories.

6 **IV. PRE-EVENT PREPARATIONS AND MAJOR STORM RESERVE**

7 Q. Please describe the Companies' approach to electric event readiness response.

8 A. In order to expedite restoration efforts when a storm is forecast at Edison Electric
9 Institute ("EEI")-2 or 3 levels, the Companies frequently acquire and pre-stage affiliate
10 and contractor resources. Acquisition and pre-staging are based on weather forecasts and
11 on assumptions regarding the staffing required to respond quickly and safely to an event
12 given the Companies' non-contiguous service area and potential transportation
13 limitations due to weather.

14 Q. Are there significant internal resource impacts to the increased readiness efforts?

15 A. Yes. The Companies utilize internal and external resources during the initial restoration
16 phase, including for make safe efforts, damage assessment, and wire guards. Often, the
17 fastest resources are those already on site, particularly customer service personnel in the
18 division offices and customer relations center. As a result, the Companies frequently
19 divert resources, including customer service resources to emergency response activities to
20 prepare for or respond to an event.

21 Q. What pre-staging challenges do the Companies face?

22 A. The Companies' service areas are expansive and, in some instances, non-contiguous.
23 Drive times to assemble resources can take more than eight hours from one part of the

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1 service area to another, and a number of division offices are located far from interstate
2 highways. Additionally, crews are traveling in large utility vehicles, often in less than
3 ideal travel conditions, which adds time to any mobilization effort. Unpredictability of
4 weather forecasts can require redeployment of staged crews from one location to another,
5 which can be exacerbated by the geographic diversity of the Companies' service area,
6 which covers all parts of New York State.

7 Q. How much have the Companies spent on pre-staging activities in response to potential
8 events in 2018 and 2019 that did not materialize?

9 A. In 2018, the Companies spent \$5.5 million preparing for and responding to electric
10 trouble events that did not materialize into a major storm eligible to be charged against
11 the major storm reserve account and deferred for cost recovery. This year, through
12 March 2019, the Companies have expended approximately \$2 million in pre-event
13 staging for readiness and response for events that did not materialize into a major storm.

14 Q. Do the Companies anticipate that they will continue to incur significant pre-staging
15 costs?

16 A. Yes. In 2018, the Companies adopted a strategy to pre-stage resources to facilitate faster
17 response. In addition, based on post-event discussions with Staff, municipal and elected
18 officials and customers, the Companies will continue to pre-stage resources to provide for
19 the ability to respond quickly rather than await reallocation of resources from affiliates or
20 mutual assistance partners, which may be a day or more from the impacted area. We
21 believe this practice was a contributor to the Companies' improved performance in the
22 windstorm event that struck in the Companies' service area in February 2019.

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1 Q. Do the Companies propose any modifications to the recovery of pre-staging storm costs?

2 A. Yes. Currently, NYSEG is allowed to recover through its Major Storm Reserve Account
3 the costs of up to three pre-staging efforts per rate year for events that do not materialize
4 into major storms as defined in the Companies' current rate plan, assuming the
5 incremental costs associated with the pre-staging is at least \$250,000 for an individual
6 event. RG&E is similar to NYSEG, except that RG&E is limited to two pre-staging
7 efforts per rate year. Given the dramatic increase in the number of major and minor
8 storms over the past several years and the importance of pre-staging and event
9 restoration, the current limitations on the number of pre-staging efforts recoverable from
10 the Major Storm Reserves are no longer appropriate.

11 Q. What are the Companies proposing with respect to pre-staging costs?

12 A. It is in the customers' best interest to have resources pre-staged to allow for the most
13 expeditious restoration process. Because the Companies will incur incremental pre-
14 staging costs for virtually every potential event, the Companies are proposing that all
15 incremental pre-staging costs for events that do qualify as major storms continue to be
16 charged against the Major Storm Reserve, and for those events that ultimately do not
17 meet the definition of a major storm, all incremental pre-staging costs (to the extent that
18 the incremental pre-staging costs are at least \$250,000 for the event) would be charged
19 against the Major Storm Reserve, with no limits on the number of events.

20 Q. What costs are considered pre-staging costs?

21 A. The following preparation activities, which are set forth in the Scorecard adopted by the
22 Commission in its Order Approving the Scorecard for use by the Commission as a
23 Guidance Document to Assess Electric Utility Response to Significant Outages issued on

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1 December 23, 2013, in Case 13-E-0140, are considered pre-staging costs: workforce
2 planning and movement (employees and contractor); issuing press releases; sending text
3 messages and emails; municipal conference calls; alerting LSE customers; alerting point
4 of contact for Critical Facilities; and verifying materials and stockpiles and taking actions
5 with respect thereto.

6 **V. EVENT FINDINGS AND RECOMMENDATIONS**

7 Q. In addition to the findings and recommendations contained in the 2018 Staff Storm
8 Report, have the Companies received other feedback regarding the mutual assistance
9 process?

10 A. Yes, the Companies have received feedback from a number of municipal officials.

11 Q. Can you provide some details on the comments received?

12 A. Yes. Elected and municipal officials have criticized the amount of time it took the
13 Companies to obtain resources from other utilities for the 2017 Windstorm, 2018 March
14 Nor'easters and April and May 2018 wind and thunderstorm events.

15 Q. Can the Panel please respond to the comments received?

16 A. The mutual assistance process was hindered by the fact that these storms also affected the
17 utilities that surround NYSEG and RG&E, which caused those neighboring utilities to
18 hold their resources until they were sure the event had passed their areas and those
19 resources were not needed for their own company restoration processes. Additionally, all
20 affected utilities sought the same contractor pools for staging, further limiting immediate
21 resource availability. Some municipal officials suggested that the Companies obtain
22 contractor resources that are more remote that can be transported (e.g., flown in) for
23 significant events to address the issue of competition over limited contractor pools.

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1 Q. What are the Companies proposing in response to the feedback they received?

2 A. The Companies propose adding the Manager – Operational Readiness – Planning, as
3 discussed in Section III.C above, and the change to lean-in cost recovery discussed above
4 to allow for faster resource acquisition and effective event response utilization.

5 Q. Did the Companies experience limitations in other areas of emergency response?

6 A. Yes. Lodging and staging areas were limited in some of the events mentioned earlier,
7 and the Companies were unable to provide nearby housing for line resources given the
8 number of contract and mutual assistance resources that were brought in.

9 Q. How are the Companies addressing these lodging/housing issues?

10 A. In addition to working with State agencies to identify housing and staging site
11 alternatives, the Companies propose budgeting for a travel vendor with expertise in
12 emergency event housing. This vendor would work directly with the Manager -
13 Operational Readiness – Logistics to develop a plan prior to an event. The vendor would
14 provide greater assurance that the Companies would be able to secure proper housing
15 promptly to reduce travel time of repair crews.

16 Q. What is the approximate cost of this vendor?

17 A. The Companies have received estimates of approximately \$120,000 annually from travel
18 vendors during initial inquires.

19 Q. Would a Logistics vendor ensure access to housing?

20 A. It would not be guaranteed, as hotel spaces could already be taken before any event had
21 occurred. For this reason, the Companies propose having an agreement with a vendor
22 who can provide on-site base camp facilities, such as trailers or tents for temporary
23 housing.

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1 Q. Do the Companies currently have weather services agreements?

2 A. Yes. The Companies retain two contract forecasters for New York, and we recommend
3 this practice continue. Costs for weather services are approximately \$150,000 annually,
4 without any prediction modeling. We recommend that the prediction modeling be
5 included to offer the opportunity for improved accuracy of resource acquisition and
6 staging for outage response, which would cost approximately \$500,000 annually.

7 Q. What other aspects of event readiness are included in the Companies' rate request?

8 A. The Companies are mandated to complete an emergency exercise (Electric and Gas)
9 annually that affects both NYSEG and RG&E; in addition, after the 2017 Windstorm, the
10 Companies modified their Plan to include a decentralization exercise for the Rochester
11 Central division. The Companies request funding to engage a consultant so that
12 Emergency Preparedness and Operations leadership can conduct a full-scale exercise,
13 necessary to test performance. The proposed annual amount for the consultant is
14 \$120,000.

15 Q. Does this conclude your testimony at this time?

16 A. Yes, it does.