



May 18, 2018

VIA E-MAIL

Secretary@dps.ny.gov

Honorable Kathleen Burgess,
Secretary
New York State Public Service Commission
Three Empire State Plaza, 19th Floor
Albany, NY 12223-1350

Re: Case 17-E-0594 – Proceeding on Motion of the Commission to Investigate the March 2017 Windstorm, Related Power Outages, and Rochester Gas and Electric and New York State Electric & Gas Restoration Efforts;

Cases 15-E-0283, 15-G-0284, 15-E-0285, 15-G-0286 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation for Electric and Gas Service

Dear Secretary Burgess:

Enclosed for filing in the above-referenced proceedings, please find the Joint Proposal (including Appendices) executed by and among New York State Electric & Gas Corporation; Rochester Gas and Electric Corporation; the New York State Department of Public Service; the New York State Department of State, Division of Consumer Protection, Utility Intervention Unit; the City of Rochester, New York; and the International Brotherhood of Electrical Workers IBEW Local 10.

Should you have any questions about this filing, please do not hesitate to contact me.

Respectfully Submitted,

Jeffrey A. Rosenbloom
Deputy General Counsel

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BEFORE THE
NEW YORK STATE
PUBLIC SERVICE COMMISSION

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Proceeding on Motion of the Commission to Investigate the March 2017 Windstorm, Related Power Outages, and Rochester Gas and Electric and New York State Electric & Gas Restoration Efforts Case 17-E-0594

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 15-E-0283

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 15-G-0284

Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Rochester Gas and Electric Corporation for Electric Service Case 15-E-0285

Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Rochester Gas and Electric Corporation for Gas Service Case 15-G-0286

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INVESTMENT JOINT PROPOSAL

This Investment Joint Proposal (“Investment Joint Proposal”), dated as of the 18th day of May 2018, is by and among the New York State Department of Public Service (“Department”), Rochester Gas and Electric Corporation (“RG&E”), New York State Electric & Gas Corporation (“NYSEG” and together with RG&E, the “Companies”), the New York State Department of State, Consumer Protection Division, Utility Intervention Unit (“UIU”), the International Brotherhood of Electrical Workers IBEW Local 10 (“Local 10”), and the City of Rochester, New York (“Rochester”). The Companies, the Department, UIU, Local 10 and Rochester may be referred to collectively as the “Signatory Parties”.

BACKGROUND

On the afternoon of March 8, 2017 a windstorm swept across Western New York State, causing widespread damage and many thousands of electric service interruptions (the “March 2017 Windstorm”). The March 2017 Windstorm affected customers served by RG&E and NYSEG.

The March 2017 Windstorm caused major damage to overhead electric distribution systems. Residential homes and businesses throughout the area were severely affected. More than 250,000 RG&E and NYSEG customers experienced power outages during the storm with Central (RG&E), Sodus (RG&E), Lancaster (NYSEG) and Lockport (NYSEG) being the hardest hit areas. Service was restored on March 11 to all customers in the Lockport (NYSEG) and Sodus (RG&E) areas, on March 13 in Lancaster (NYSEG), and on March 15 in the Central area (RG&E).

At the direction of Governor Cuomo, on March 11, 2017, the Department of Public Service began an investigation of the Companies' preparation and response to the March 2017 Windstorm. On November 16, 2017, the Department of Public Service issued a report entitled: March 2017 Windstorm A Report on NYSEG and RG&E Electric Restoration and Communication Efforts. Also, on November 16, 2017, in Case 17-E-0594, the Commission issued an Order Instituting Proceeding and to Show Cause (the "Order").¹ By the Order, NYSEG and RG&E were directed to show cause why: (i) the Commission should not pursue an administrative penalty, pursuant to Public Service Law (PSL) § 25-a, and (ii) the Companies should not implement the recommendations contained in the Department of Public Service Staff Report (the "Report") into their Emergency Response Plans ("ERPs").

The Companies have requested extensions of time to respond to that portion of the Order regarding an administrative penalty pursuant to Public Service Law (PSL) §25-a because the Companies and Staff of the Department of Public Service desired to engage in settlement discussions. The Secretary has granted the requested extensions. In accordance with 16 NYCRR §3.9, a notice of impending settlement negotiations was sent to all parties to both the above-captioned case and each Company's current rate case, Cases 15-E-0283, 15-G-0284, 15-E-0285 and 15-G-0286, and such parties were invited to the settlement conference that produced this Joint Proposal.

TERMS OF THE SETTLEMENT

Pursuant to a Joint Proposal dated May 18, 2018 between the Companies and the Department (the "Settlement Joint Proposal") the Companies have agreed to make investments of up to Three Million Nine Hundred Thousand Dollars (\$3,900,000) ("Settlement Amount") which will not be reflected in the Companies' rate base or operating expenses in establishing future delivery rates. The investments are designed to increase resiliency and improve emergency response in the areas impacted by the March Windstorm (the "Investments"). The Investments are described in detail in Exhibits A-1 to A-9 of this Investment Joint Proposal. Additionally, pursuant to the Settlement Joint Proposal, the Department agreed to recommend that the Commission not institute or cause to be instituted against NYSEG and/or RG&E or their respective directors, officers, employees, agents, shareholders or affiliates, a penalty action under the Public Service Law, or under any other statute or regulation or Commission order, with respect to the Companies' actions, inactions or practices, directly or indirectly related to the March Windstorm (the "Recommendation").

¹ Proceeding on Motion of the Commission to Investigate the March 2017 Windstorm, Related Power Outages, and Rochester Gas and Electric and New York State Electric & Gas Restoration Efforts (Case 17-E-0594).

The parties anticipate that the final cost of and amount spent on the Investments may not be exactly equal to the Settlement Amount. In recognition of this possibility, if the Investments are completed and the total amount spent is less than the Settlement Amount, then an appropriate regulatory liability in the amount not spent will be established for the benefit of customers with carrying charges applied at the pre tax rate of return on the after tax balance of the amounts deferred. While the Companies will use prudent business practices to strive to keep the Investment costs reasonable and below the Investment Amount, if the amount spent to complete the Investments by the Companies is cumulatively in excess of the Settlement Amount (the “Additional Spend”) then the Companies will include the Additional Spend in rate base subject to Department Staff review and the Additional Spend will be incorporated in their next rate case filings. Further, if the Company determines that the cumulative Additional Spend is expected to exceed the Settlement Amount by 10 %, the Companies will file with the Secretary notice within 10 days of such Additional Spend determination. The intent of this provision is to ensure that customers obtain the full benefit of the Settlement Amount and the Companies are not required to absorb an amount above the Settlement Amount, while protecting ratepayers once the Companies determine an Additional Spend is necessary. The Companies shall file a status report with the Commission on or before the first anniversary date of this Joint Proposal where the Companies will indicate the amount spent on each of the investment projects and the completion date of each project. Investments made by the Companies in the projects described in Exhibit A of the Investment Joint Proposal (up to the dollar value of the Settlement Amount) will be reflected on the Companies’ books and records as below-the-line investments to assure they would be segregated from rate base investments.

General Provisions

1. This Investment Joint Proposal fully and finally resolves all the issues and concerns raised and/or asserted, or that could properly have been raised and/or asserted, in Case 17-E-0594 including, but not limited to, the issues raised in the Order to Show Cause.
2. Accordingly, in consideration for the Investments to be made by the Companies, the Signatory Parties hereby indicate their support for such Investments.
3. The execution, delivery and performance of this Joint Proposal by each Party hereto is within its corporate or statutory powers, as appropriate, has been duly authorized by all necessary corporate or statutory action, and does not and will not (i) require any governing or governmental consent or approval except as required in Paragraph 7 below, (ii) contravene its organizational documents or enabling legislation, or (iii) violate applicable law.
4. This Investment Joint Proposal has been entered into voluntarily by the Parties. The Parties have determined the Investment Joint Proposal constitutes a fair and reasonable resolution of all outstanding issues relating to Case 17-E-0594 and avoids litigation. This Investment Joint Proposal is not, and should in no way be construed as a Commission finding or an admission by the Companies of a violation of any law or regulation or order; or a Commission finding or an admission by the Companies’ that these events are amenable to suit under Sections 24 and 25 of the Public Service Law, a penalty action under Section 25-a of the Public Service

Law, or a disallowance of costs for imprudence. In addition, this Investment Joint Proposal is a settlement of potential penalties stated in the Order to Show Cause in Case 17-E-0594 and should not be construed as an assessment of a fine or penalty.

5. Each Signatory Party agrees to submit this Investment Joint Proposal to the Commission, to support and request its adoption by the Commission, and not to take a position in these proceedings contrary to the agreements set forth herein or to assist another participant in taking such a contrary position in these proceedings. The Signatory Parties believe that the resolution of the issues, as set forth in this Investment Joint Proposal, is just and reasonable and otherwise in accordance with the PSL and the Commission's regulations. The Signatory Parties believe that this Investment Joint Proposal will satisfy the requirements of PSL § 65(1) that NYSEG and RG&E provide safe and adequate service at just and reasonable rates.

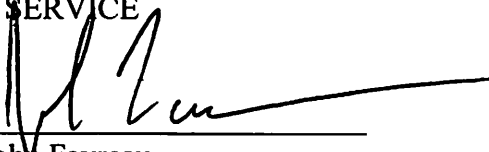
6. This Investment Joint Proposal may be executed by original, facsimile or electronic signature, each of which shall be equally binding.

7. This Investment Joint Proposal is subject to ratification or approval by the Commission and will have no effect in the absence thereof. Unless the Commission approves the Settlement Joint Proposal and this Investment Joint Proposal in their entirety, without modification, any of the Signatory Parties may withdraw their acceptance of this Investment Joint Proposal by serving written notice on the Commission, and shall be free to pursue its position without prejudice. If the Commission approves this Investment Joint Proposal or modifies it in a manner acceptable to the Companies, the Signatory Parties intend that this Investment Joint Proposal thereafter be implemented in accordance with its terms. Should the Commission fail to approve this Investment Joint Proposal or any of the specific projects in this Investment Joint Proposal, the Signatory Parties agree that any investments made on those projects would be included in the Companies' rate bases subject to Staff review and will be incorporated in the Companies' next rate case filings. Failure by the Companies to comply with any provision of this Investment Joint Proposal, including the completion of the Investments as stated in Exhibit A, will result in judicial and administrative action, including, but not limited to, the initiation of a proceeding under PSL §25-a.

8. This Investment Joint Proposal, including all attachments, exhibits and appendices, if any, represents the entire agreement of the Signatory Parties with respect to the matters resolved herein.

IN WITNESS WHEREOF, each of the Parties hereto has executed this Investment Joint Proposal as of the day and year first written above.

NEW YORK STATE DEPARTMENT OF
PUBLIC SERVICE

By: 

John Favreau
Assistant Counsel

ROCHESTER GAS AND
ELECTRIC CORPORATION

By: _____
Carl A. Taylor
President and Chief Executive Officer

NEW YORK STATE ELECTRIC
& GAS CORPORATION

By: _____
Carl A. Taylor
President and Chief Executive Officer

NEW YORK STATE DEPARTMENT OF STATE
DIVISION OF CONSUMER PROTECTION
UTILITY INTERVENTION UNIT

By: _____
Erin Hogan
Director

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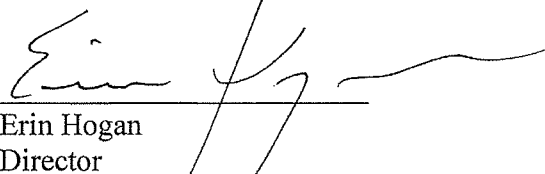
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By: _____
Carl A. Taylor
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NEW YORK STATE DEPARTMENT OF STATE
DIVISION OF CONSUMER PROTECTION
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By: 
Erin Hogan
Director

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS
IBEW LOCAL 10

By: Gary Bonker

Gary Bonker
Business Manager/Financial Secretary

CITY OF ROCHESTER, NEW YORK

By: _____

Lovely Warren
Mayor

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS
IBEW LOCAL 10

By: _____
Gary Bonker
Business Manager/Financial Secretary

CITY OF ROCHESTER, NEW YORK

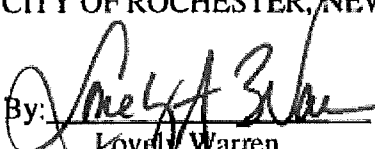
By: 
Lovell Warren
Mayor

EXHIBIT A
INVESTMENTS

Exhibit A-1 provides a summary of the investments

Exhibit A-2 through A-9 provides additional details for each of the Investments

EXHIBIT A-1
SUMMARY OF INVESTMENTS

<u>Investment Item</u>	<u>Estimated Investment Amounts</u>	
	<u>RG&E</u>	<u>NYSEG</u>
LSE – Assistance Program	\$ 0.1 M	\$ 0.1 M
• See Exhibit A-2		
LSE – implement two-way text messaging	\$ 0.05 M	\$ 0.05 M
• See Exhibit A-3		
Composite Pole – Storm Hardening/Resiliency	\$ 1.25 M	\$ 0.61 M
• See Exhibits A-4, A-5		
Distribution Hardening/Resiliency	\$ 0.98 M	
• See Exhibit A-6		
Install Monitoring at Critical Facilities	\$ 0.28 M	\$ 0.28 M
• See Exhibit A-7		
Mobile Command Center - 1 per Company	\$ 0.1 M	\$ 0.1 M
• See Exhibit A-8		
Backup Generation for Rochester Warming Center	\$ 0.025 - \$0.050M	
• See exhibit A-9		
Estimated Total	\$ 2.8 M	\$ 1.1 M

EXHIBIT A-2
Life Support Equipment – Back-Up Power Assistance Program

Project Description/Benefits

NYSEG and RG&E will implement a program to provide customers who have life-sustaining equipment in their homes (LSE) financial assistance for the purposes of purchasing a backup power source. This investment will directly benefit customers who have a critical need for electric service. Specifically, the Companies will offset the cost of qualifying equipment by 50%, up to \$1,000. The assistance will be provided to life support customers who purchase either permanently installed battery back-up systems or permanently installed back-up generators.

All customers who are on record with NYSEG or RG&E as having life sustaining equipment in their homes will be eligible to participate. Assistance will be limited to one per customer.

In order for equipment to qualify for this program, a battery system installed must be a minimum of 3,000 watt-hours and permanently installed by a licensed electrician in the eligible customer's home. A back-up generator must be permanently installed by a licensed electrician in the eligible customer's home. The customers will need to submit the assistance application along with a copy of the invoice for the purchase of the equipment. The application will also require a copy of the electrical permit from the installation.

Typical program adoption of efficiency program offerings would be 10-15% in the first year. Based on the difference in this offering (the more limited size and the significant investment in the equipment) the Companies expect an adoption rate in the 5%-7.5% range. The estimated cost of this program, including customer outreach, administration and financial assistance is \$200,000.

Once approved, the assistance program will initially be in place for 12 months, with the potential of being expanded to 24 months if there is still funding available. Program funding will be monitored on a quarterly basis. If 50% of the available funding is exhausted before six months of program activity, assistance will be reduced to a maximum of \$750. If 75% of the program budget is expended before nine months of program activity, assistance will be decreased to a maximum of \$500.

If a second year of program activity is warranted based on funding availability, assistance will be increased to \$1250. If more than 50% of the funding is available after eighteen months of program activity, assistance will be increased to a maximum of \$1500. The higher assistance levels will only be provided to previous participants who request the higher amount.

Significant Tasks and Estimated Time Frames:

- Program set up – Second/Third quarter 2018
- Outreach (see below for details) –Third/Fourth quarters 2018
- Program Launch – Fourth quarter 2018

Eligible Customer Outreach

The adoption rate of the program will be highly dependent on the outreach to and education of the eligible customers. Each eligible customer will receive a letter introducing the program. The letter will describe

the program offering and eligibility requirements. A second letter will be sent six months after program initiation to those who have not participated to remind them of the offering and the program end date.

If funding remains available beyond the second mailing, a third mailing will be scheduled to announce the limited time expansion of the offering. In addition to a third mailing, outreach to distributors of life support equipment will be included.

The Companies will also include a guideline for customer to help assess their back up battery requirements. An example of what would be provided is shown below.

EXAMPLE - Customer Guideline for Back-up Battery Requirements

How many hours of back-up can a battery provide for your life sustaining equipment? Divide the battery size (watt hour rating) by the equipment wattage rating		Battery Size					
		3000 watt hours	5000 watt hours	7000 watt hours	9000 watt hours	11000 watt hours	13000 watt hours
Equipment Rating (Identify the wattage of your equipment)	200 Watt	15 hours	25 hours	35 hours	45 hours	55 hours	65 hours
	300 Watt	10 hours	16.5 hours	23 hours	30 hours	36.5 hours	43 hours
	400 Watt	7.5 hours	12.5 hours	17.5 hours	22.5 hours	27.5 hours	32.5 hours
	500 Watt	6 hours	10 hours	14 hours	18 hours	22 hours	26 hours
	600 Watt	5 hours	8 hours	11.5 hours	15 hours	18 hours	21.5 hours

EXHIBIT A-3
Life Support Equipment (LSE) – Enhanced Communications

Project Description/Benefits:

NYSEG and RG&E will implement an enhanced two-way texting communication channel with customers who have life-sustaining equipment (LSE) in their homes. This investment in technology will directly benefit these customers who have a critical need for electric service. Before and during potential power outages, LSE customers will receive direct communication in the form of a text message from the Companies and will be able to utilize the texting platform to communicate directly with a critical needs specialist, avoiding the need to contact the Company's contact center.

Communications studies indicate that 98% of text messages are read within two minutes of being received and that number rises to nearly 100% within 24 hours. This makes this communication channel ideal for delivering and receiving messages to the customers who are most dependent on electric service. Highlights of the functionality include:

- Text alerts sent in advance of an event providing information regarding weather forecasts, likelihood of outages and critical information for weathering a storm
- Ability for a customer to report via text when his or her power is out
- Ability for an LSE customer to reply to the text and receive a personal call from a critical needs specialist during power outage events
- Ability for an LSE customer to report via text when his or her power is restored or if he or she has relocated to a different location.
- Keeping LSE customers informed of shelter information during prolonged events.

The Companies will provide a dedicated phone line for the purposes of enabling the text messaging platform for life-support customers. This enhanced communication channel will directly connect these customers with life sustaining electric needs with specialists who can guide them in how to stay safe during outage events. Additionally, outreach and education activities will be undertaken to educate the customers on the new functionality and to capture as many cell phone numbers as possible for the LSE customers. The preliminary estimated cost of the dedicated phone number, outreach and education, and programming to support the texting platform is estimated to be \$75K - \$100K.

Significant Tasks and Estimated Time Frames:

- Make the necessary process and procedure updates – Second/Third quarter 2018
- Programming –Third and Fourth quarters 2018
- Outreach (see below for details) – Third and Fourth quarters 2018
- Installation/Go Live – Fourth quarter 2018

Eligible Customer Outreach:

The success of the text messaging communication channel will be directly dependent on the outreach to and education of the customers for whom the channel is being developed. The Companies will employ a combination of print, email and personal phone calls to ensure we are able to effectively reach as many customers as possible. This will include a campaign to increase the number of cell phone numbers on file for the LSE customers. Additionally, the enrollment and annual certification materials will be updated to highlight the functionality to help educate these customers regarding the new texting capabilities.

EXHIBIT A-4
Composite Pole – Storm Hardening/Resiliency – RG&E

Project Description/Benefits:

The use of composite pole materials provides additional resiliency to the assets, and will contribute to future reductions in customer outages associated with the upgraded circuits. Typically, composite poles are much lighter than wood poles, have a longer expected service life than wood poles, and contain no harmful chemicals.

RG&E 34.5kV circuits 784 and 785 have been identified for a project to use composite poles to improve resiliency. Circuits 784 and 785 along the Lee Road experienced failures during the March 1, 2017 windstorm, and replacement poles required shoring up during the March 8, 2017 windstorm. In addition to providing distribution support, these circuits directly service some industrial customers in the area. Circuits 784 and 785 are also neighboring circuits that tie together with normally open tie switches.

The total length for the rebuild to composite poles is approximately 1.65 miles. The existing pole height is about 60'. The majority of the new poles will be at a similar height and location as the existing poles. There are approximately 35 poles to be replaced (note that this does not include the 17 poles that were replaced and reworked due to wind events prior to the March 8 storm). The existing conductors and underbuild will be transferred to the new composite poles.

The Companies will train an appropriate number of local internal employees to maintain the composite poles.

Cost Estimate:

The preliminary estimated cost of the work (excluding any contingency, which at this stage of the project is likely to range from -10% to +10%) is \$1.25 M:

Significant Tasks and Estimated Time Frames:

- Engineering – January 2018 Through April 2018
- Procurement – Begins April 2018
- Construction – Begins July/August 2018

Anticipated public outreach activities:

- Informing customers directly served from the circuits to be worked on during the engineering phase of the project.
- Additional real estate rights required for the work are anticipated to be limited. RG&E's Real Estate Group shall then be engaged to work with affected landowners to acquire the additional real estate rights.
- During the construction phase, more outreach shall be done to customers directly served from the circuits to be worked on to coordinate any needs for outages to accomplish the work.

Spares:

As part of this project, two spare poles shall be purchased and stored in the Rochester area for future maintenance needs. The cost to purchase these spares is estimated at \$15,000 and is included in the cost estimate above.

EXHIBIT A-5
Composite Pole – Storm Hardening/Resiliency - NYSEG

Project Description/Benefits:

The use of composite pole materials provides additional resiliency to the assets, and will contribute to future reductions in customer outages associated with the upgraded circuits. Typically, composite poles are much lighter than wood poles, have an expected service life double that of wood poles, and contain no harmful chemicals.

NYSEG 34.5kV circuits 531 and 538 have been identified for a project to use composite poles. The circuits reside in the Town of Aurora. The project will replace existing wood poles with composite poles in order to enhance system resiliency on our sub transmission system. This transmission segment experienced failures during the March 8th wind event, and the distribution customers that it serves (Dist. Circuit Davis 531) were all out.

The segment that will be upgraded to composite poles are from Davis Rd substation to the Alpine Tap, which consists of approximately 10 poles with existing pole heights of about 60' and is about 0.5 miles long. The existing conductors will be transferred to the new composite poles. An additional sectionalizing device (recloser) shall also be installed to improve system reliability.

The Companies will train an appropriate number of local internal employees to maintain the composite poles.

Cost Estimate:

The preliminary estimated cost of the work (excluding any contingency, which at this stage of the project is likely to range from -10% to +10%), is \$614K

Significant Tasks and Estimated Time Frames:

- Engineering – January 2018 Through April 2018
- Procurement – begins April 2018
- Construction – begins July/August 2018

Anticipated public outreach activities:

- Informing customers directly served from the circuits to be worked on during the engineering phase of the project.
- Additional real estate rights required for the work are anticipated to be limited. RG&E's Real Estate Group shall then be engaged to work with affected landowners to acquire the additional real estate rights.
- During the construction phase, no planned outages to accomplish this work are anticipated.

Spares:

- As part of this project, two spare poles shall be purchased and stored in the affected NYSEG service area for future maintenance needs. The cost to purchase these spares is estimated at \$15,000 and is included in the cost estimate above.

EXHIBIT A-6
Distribution Hardening/Resiliency – RG&E

Project Description/Benefits:

The use of heavier class and larger size wood poles provides additional resiliency to the assets, and will contribute to future reductions in customer outage numbers and durations associated with the upgraded circuits. This project is strategically targeting a distribution circuit within the City of Rochester, including other nearby poles and also including some existing rear-lot line segments. These rear lot segments historically have been more labor intensive to repair or replace.

RG&E's 4kV circuit 294 has been identified for a distribution hardening project to improve resiliency. The circuit's footprint lies entirely within the City of Rochester. The proposed project will replace existing smaller and older vintage wood poles with larger and heavier class wood poles in order to enhance system resiliency in this higher density location. Circuit 294 serves mostly residential customers and some commercial businesses. Circuit 294 has been prone to major storm outages.

This project will focus on replacing and hardening approximately 70 distribution poles with larger class wood poles. Existing conductors will be transferred except for some sections of smaller conductor which would be upgraded to the standard 1/0 for single phase or 336 for three phase, respectively.

An additional 30 nearby poles within the City of Rochester are also targeted for hardening. These poles were identified as possible replacements on recent Distribution Line Inspections, and under this proposal they would both be accelerated for replacement during 2018, and likewise hardened with larger and heavier class wood poles.

Cost Estimate:

The preliminary estimated cost of the work (excluding any contingency, which at this stage of the project is likely to range from -10% to +10%) is \$975K

Significant Tasks and Estimated Time Frames:

- Engineering – January 2018 through March 2018
- Procurement – begins March 2018
- Construction – begins May/June 2018

Anticipated public outreach activities:

- Informing customers directly served from the circuits to be worked on during the engineering phase of the project.
- Additional real estate rights required for the work are anticipated to be limited. RG&E's Real Estate Group shall then be engaged to work with affected landowners to acquire the additional real estate rights.
- During the construction phase, more outreach shall be done to customers directly served from the circuits to be worked on to coordinate any needs for outages to accomplish the work.

Additionally, for some of the pole replacements that are not along the road, commonly referred to as either 'rear-lot' or 'backlot', some hardscape restoration may be required, and will likewise be coordinated through RG&E's Public Outreach and/or Real Estate Group.

EXHIBIT A-7
Install Monitoring Devices

Project Description/Benefits:

Understanding in real time exactly which critical facilities are without power will improve the Companies' ability to respond to those outages in a timelier manner. Approximately 75 monitoring devices will be installed for each Company in the service territories impacted by the March 8, 2017 storm. Specific critical facilities at which they will be installed will be established through collaborative discussions with affected municipalities.

Cost Estimate:

The preliminary estimated cost of the work (excluding any contingency, which at this stage of the project can range from -20% to +50%) is \$3,700 per unit installed.

Significant Tasks and Estimated Time Frames:

- Identify critical facilities within storm impacted areas and create initial prioritization list – April/May 2018
- Collaboration/prioritization meetings with municipalities – Begin June 2018
- Procurement – Second quarter 2018 – Fourth quarter 2018
- Installation – June 2018 through December 2018
- Dependent on device availability, target is a minimum of 25 installations per month, with the first 50 installations completed by August 31, 2018.

The Companies will train an appropriate number of local internal employees to install and maintain the monitoring devices.

Company Pre-work:

Companies will specifically identify all known critical facilities (CF) within the service territories affected by the March 8, 2017 windstorm. Companies will create an initial view of prioritization and risk assessment of these CFs.

Community Outreach:

The Companies will schedule meetings with each municipality in the March windstorm affected service area that has CFs. A discussion of the Companies' preliminary prioritization for monitoring will take place, and the municipalities will be invited to identify CFs that they feel should be highly prioritized. Agreements will be reached with each municipality to confirm where the devices are to be installed.

EXHIBIT A-8
Purchase Mobile Command Centers

Project Description/Benefits:

Mobile command centers are very visible assets during an event, and provide opportunities to have key Company personnel directly in the heart of affected areas. NYSEG and RG&E will each purchase one mobile command center. The mobile command centers will be located within the service territories impacted by the March 8, 2017 storm. The estimated cost is \$100K per unit.

Significant Tasks and Estimated Time Frames:

- Identify location where units will be kept – Second/Third quarter 2018
- Procurement – Place Order in Second/Third quarter 2018, to be deployed when received and inspected
- MCC's on-site and ready for use – Third/Fourth quarter 2018

Community Emergency Support:

Companies will conduct discussions with key municipal emergency services groups to identify the ways MCCs can be used during a restoration event, storm drills or possibly by municipal emergency personnel for non-utility events.

EXHIBIT A-9
Backup Generation for Rochester Warming Center

Project Description/Benefits:

Purchase and assist with installation of a backup portable generator for the City of Rochester's David F. Gantt Community Center. The Gantt center is a warming and cooling station that can serve 200 families in the Greater Rochester area; it is opened on a regular basis during extreme weather conditions (independent of electricity outages) and is recognized as a very important public service to City residents. This project at this particular is included after discussions with City of Rochester representatives identified the sensitivity and importance of the Gantt center. The backup portable generator will free up two other portable generators for use in other locations (the City has identified many other facilities where they could be used). The Company would provide a natural gas powered generator per specifications provided by the City of Rochester and ensure proper sizing for available natural gas connection; the City would manage the installation in 2018 and subsequent maintenance. The preliminary estimated cost of a dedicated portable generator with installation is \$25-\$50K. RG&E's maximum contribution toward this project will be \$50K.

Significant Tasks and Estimated Time Frames:

- Receive specifications for generator from the City – Second/Third quarter 2018
- Work with Company electric and natural gas personnel to ensure proper sizing and installation – Second/Third quarter 2018
- Coordinate with City to purchase and install generator –Third/Fourth quarter 2018