



March 14, 2016

VIA ELECTRONIC SERVICE


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

Re: Cases 09-E-0715, 09-G-0716, 09-E-0717 and 09-G-0718 – 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:

Pursuant to Appendix Q, of the Joint Proposal approved by the New York State Public Service Commission's Order Establishing Rate Plan, issued and effective September 21, 2010, in the above-referenced proceeding, New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E") respectfully submit the attached Annual Electric Vegetation Management report

If you have any questions, please contact me.

Respectfully submitted,

Weston Davis
Vegetation Management

Attachment

NYSEG and RG&E Annual Electric Vegetation Management Report

March 14, 2016

NYSEG Electric and RG&E Electric Vegetation Management Reporting and Planning

This report has been prepared to meet the information requested in Appendix Q of the Joint Proposal in the Companies' latest Rate Plan associated with cases 09-E-0715 and 09-E-0717.

NYSEG 2015 Distribution Vegetation Management

In 2014 an RFP was issued for up to 3001 miles of distribution line vegetation clearing at NYSEG, to be completed in 2015. The following companies submitted bids: Asplundh Tree Expert Company, Lewis Tree Service, Nelson Tree Expert Company, Trees Inc., Birchcrest Tree Care & Landscaping Company, Ironwood, Jaflo, Trees Inc, and K.W. Reese. Contracts totaling 2,701 miles were awarded to the lowest bidder for specific NYSEG operating divisions. The 2015 average cost for distribution vegetation mileage clearing work at NYSEG was \$7,257 per mile. The circuit selection was based on a combination of tree SAIFI worst performers, and time since last cleared.

In the first quarter of 2015 an RFP for additional miles to be completed in the Brewster and Liberty divisions by 12/31/2015 was issued to Asplundh Tree Expert Company, Lewis Tree Service, Nelson Tree Expert Company, Trees Inc., Ironwood, and N.G Gilbert. A contract was awarded to five vendors (Asplundh, JAFLO, Nelson, N.G. Gilbert, and Trees Inc.) for a total of 399 miles. The circuit selection was based on a combination of tree SAIFI worst performers, and time since last cleared.

RG&E 2015 Distribution Vegetation Management

In 2014 an RFP was issued for up to 1,121 miles of distribution line vegetation clearing at RG&E, to be completed in 2015. This RFP was sent concurrently with the NYSEG RFP. The following companies submitted bids: Asplundh Tree Expert Company, Lewis Tree Service, and Birchcrest Tree Care & Landscaping. Contracts to clear 1,102 miles were awarded to the lowest bidder for specific RG&E operating divisions. The 2015 average cost for distribution vegetation mileage clearing work at RG&E was \$5,250 per mile. The circuit selection was based on a combination of tree SAIFI worst performers, and time since last cleared.

Table 1 – 2015 NYSEG/RG&E Distribution Vegetation Management Summary of Actual Expenditures.

TABLE 1

| 2015 | NYSEG Planned | NYSEG Actuals | RG&E Planned | RG&E Actuals |
|---|---------------|---------------|--------------|--------------|
| Maintenance (Includes Brewster / Liberty Incremental Work) Mileage | \$23,045,860 | \$22,502,613 | \$5,785,998 | \$5,785,093 |
| Hot Spot | \$1,254,140 | \$1,819,402 | \$814,002 | \$814,907 |
| Grand Total | \$24,300,000 | \$24,322,015 | \$6,600,000 | \$6,600,000 |

Table 2 – 2015 NYSEG/RG&E Distribution Vegetation Management Mileage Clearance Actual Expenditures by Voltage Class

TABLE 2

| NYSEG | NYSEG Distribution Miles Planned 2015 | NYSEG Distribution Miles Completed 2015 | 34.5 kV Miles | 34.5 kV Cost | 15 kV Miles | 15 kV Cost | 5 kV Miles | 5 kV Cost | Total Cost |
|--|---------------------------------------|---|---------------|--------------|-------------|--------------|------------|-------------|--------------|
| Maintenance Program (Includes Brewster / Liberty Incremental Miles) | 3101 | 3101 | 798 | \$5,323,526 | 1317 | \$9,182,133 | 986 | \$7,996,954 | \$22,502,613 |
| RG&E | RG&E Distribution Miles Planned 2015 | NYSEG Distribution Miles Completed 2015 | 34.5 kV Miles | 34.5 kV Cost | 15 kV Miles | 15 kV Cost | 5 kV Miles | 5 kV Cost | Total Cost |
| Maintenance Program | 1102 | 1102 | 161 | \$434,998 | 451 | \$12,090,858 | 490 | \$3,259,237 | \$5,785,093 |

2015 NYSEG/RG&E Hot Spot Program

The hot spot program is designed primarily to focus on emerging issues that if not addressed could impact electric system reliability. Hot spot dollars are also utilized to address specific unplanned customer requests. The hot spot work in 2015 included 4,567 spans worked at NYSEG and 1,999 spans worked at RGE; over 1,964 tree removals at NYSEG and over 774 tree removals at RGE; and over 10,707 trees pruned at NYSEG and over 4,378 trees pruned at RGE.

NYSEG and RG&E 2016 Distribution Vegetation Management

RFPs for the 2016 /2017 distribution vegetation management work for NYSEG and RG&E were issued in the first quarter of 2015. The RFP process for the 2016 base plan was executed such that contracts and purchase orders were approved for the work in December 2015. Contractors began work on the 2016 plan on January 4, 2016, consistent with the implementation of recommendations from the Companies' last Management Audit. The base plan for 2016 is to clear the targeted miles included in the Joint Proposal associated with the Companies' current rate case.

An estimate of currently planned spending associated with the 2016 plan is shown in table 3 below. Once the rate plan is approved by the Commission, additional mileage may be added to the 2016 plan.

TABLE 3

| 2016 Planned | NYSEG | RG&E |
|---------------------|--------------|-----------------|
| Maintenance | \$18,173,781 | \$6,021,360 |
| Hot Spot | \$1,826,219 | \$578,640 |
| Grand Total | \$20,000,000 | \$6,600,000 |