

April 15, 2025

VIA ELECTRONIC MAIL

Honorable Michelle L. Phillips
Secretary
State of New York Public
Service Commission
Three Empire State Plaza
19th Floor
Albany, NY 12223-1350

Re: Cases 22-E-0317 et al. – New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation Electric and Gas Rate Plans – Electric Reliability Performance Measures Petition

Dear Secretary Phillips:

Pursuant to the terms of the Electric Reliability Performance Measures in their current Joint Proposal,¹ New York State Electric & Gas Corporation (“NYSEG”) and Rochester Gas and Electric Corporation (“RG&E” and together with NYSEG, the “Companies”) may petition the State of New York Public Service Commission (the “Commission”) to request that Non-Utility Control Outages be exempt from System Average Interruption Frequency Index (“SAIFI”) and Customer Average Interruption Duration Index (“CAIDI”) calculations.”² As more particularly explained below, for the period of January 1, 2024 through December 31, 2024, the Companies experienced a number of Non-Utility Control Outages, which should be considered exempt from the Companies’ SAIFI and CAIDI calculations.

¹ Cases 22-E-0317 et al - New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation - Electric and Gas Rate Plans, Order Adopting Joint Proposal (issued October 12, 2023) (“2023 Joint Proposal Order”), Joint Proposal (“2023 Joint Proposal”), Section XII, Electric Reliability and Appendix K, Electric Reliability Measures. See also, Appendix I, Electric Distribution and Transmission Vegetation Management.

² Accidents or Events Not Under Utility’s Control are defined in the Companies’ rate plan. Cases 22-E-0317 et al. New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation - Electric and Gas Rate Plans, 2023 Order, Joint Proposal, Section XII, Electric Reliability and Appendix K. Electric Reliability Measures and 16 NYCRR § 97 (Notice of Interruption of Service).

The 2023 Joint Proposal, Appendix K, provides the following:

The Company will provide preliminary notice and supporting documentation for annual report exclusions, other than major storms (part a), to the Director of the Office of Resilience and Emergency Preparedness (OREP) for review within 45 days of the event. The notice and supporting documentation for excluded events will be included in a separate submission to the Director of OREP. The Company will continue to submit supporting documentation for all exclusions in its annual Reliability Mechanism report.

The Companies provided such above-identified notices to the Director of the Office of Resilience and Emergency Preparedness (“OREP”) in accordance with the above terms. The transmittal letters for these monthly notices are included Attachment 1 to this letter petition. The detailed spreadsheets for each monthly submission can be obtained from the Director of OREP. A consolidated list of the non-utility controlled outage exclusions for calendar year 2024 is included in Attachment 2.

The notices of the non-utility outages provided by the Companies to the State of New York Department of Public Service (“DPS”) Director of the Office of Resilience and Emergency Preparedness (“Director”) included the necessary identification of non-utility control outages qualifying for exemption from the calculation of the Companies’ SAIDI and CAIFI performance results. The Companies now propose that those notices be consolidated with this filing so that the Commission may consider and grant exclusion of all non-utility controlled outages from the Companies calculation of their respective SAIFI and CAIDI performance results for calendar year 2024. As demonstrated below, the non-utility control outage events identified in the notices fall within the category of events that merit exclusion.

Background

Appendix K of the 2023 Joint Proposal sets forth the specific metrics, targets and associated negative revenue adjustments as well as the reporting requirements associated with the Companies’ Electric Reliability Performance Measures. The 2023 Joint Proposals and Appendix K state that the Companies measure performance on a calendar year basis and, if either RG&E or NYSEG fails to meet any of the established reliability performance targets during any calendar year, they are subject to the associated electric system reliability negative revenue adjustments (“NRAs”) established in the 2023 Joint Proposal and Appendices I and K. of the 2023 Joint Proposal.

The 2023 Joint Proposal recognizes that factors beyond the Companies’ control (non-utility control outages) could adversely affect the Companies’ ability to meet the established electric reliability performance measure targets. The 2023 Joint Proposal, Appendix K defines Non-Utility Control Outages exclusions to include outages due to the following:

- Any outages resulting from a major storm, as defined in 16 NYCRR Part 97 (for at least 10% of the customers interrupted within an operating area or customers out of service for at least 24 hours).

- Any incident resulting from a strike or a catastrophic event beyond the control of the Company, including but not limited to plane crash, water main break, or natural disasters (e.g., hurricanes, floods, earthquakes, tornados, and microbursts).
- Any incident where problems beyond the Company's control involving generation or the bulk transmission system is the key factor in the outage, including, but not limited to, NYISO mandated load shedding. This criterion is not intended to exclude incidents that occur as a result of unsatisfactory performance by the Company.

Exclusions identified in 16 NYCRR §97 also are applicable.³ The 2023 Joint Proposal also provides that the Companies do not waive and expressly retain the right to petition the Commission for a waiver, release, or other relief related to a Company's failure to meet the targets as a result of the above-identified factors beyond the Companies' control. NYSEG and RG&E also may petition the Commission to request that Non-Utility Control Outages be exempt from SAIFI and CAIDI calculations. Attachment 2 to this letter petition includes a chart listing all events covered by the period reflected in this petition, including the monthly information in a consolidated format.

Qualifying Event

As noted above, the 2023 Joint Proposal provides that the Companies' SAIFI and CAIDI reliability performance metrics are measured on a calendar year basis and the Companies may petition to exempt certain events beyond the Companies' control from the calculation of SAIFI and CAIDI results. During each calendar year, NYSEG and RG&E identify and track service interruptions occurring on their systems and report the information by class of events pursuant to the definitions contained in 16 NYCRR § 97 and identified above, including those that are outside the Companies' control (defined as "Class 6 Events"). NYSEG and RG&E monitor the impact of these events on each Company's ability to meet the year-end SAIFI and CAIDI targets.⁴

On the dates indicated on Attachment 2 to this letter, the Companies experienced a number of different events, which fall within the definition of Non-Utility Control Outages. The categories of Non-Utility Control Outages are denoted on each line item on the Attachment. Because each event is a Non-Utility Control Outage, these events should be exempt from the calculation of NYSEG's or RG&E's SAIFI and CAIDI results. In addition to those examples of expressly defined Non-Utility Control Outage events, the Companies note that there are other instances included on Attachment 2 that identify required non-utility driven outages associated with the connection of attachments to the Companies' utility poles under the ongoing Make-Ready programs that support the NY State "Broadband for All" initiative as well as other programs. Make Ready work is created when third party attachments are requested on our poles. These

³ These categories include, for example: (1) vandalism; (2) unexpected deforestation (e.g., Emerald Ash Borer); (3) foreign utility supply; (4) motor vehicle accidents; (5) weather; (6) strategic pole hits; and (7) disruptions in neighboring utility systems and are consistent with 16 NYCRR § 97 (Notice of Interruptions of Service). Specifically, 16 NYCRR § 97.5(c) contains criteria to be used in classifying and reporting electric service interruptions. Item 6 in the list, referred to by the Company as Class 6, contains criteria applicable to "Accidents or Events Not Under Utility's Control." Item 14 also addresses events not under the utility's control.

⁴ As previously noted, NYSEG and RG&E identify and report events pursuant to 16 NYCRR § 97. The Companies submit the

information following the sample form and criteria contained in 16 NYCRR § 97.5(c). NYSEG and RG&E report Class 6 items (events outside the Company's control) on this form.

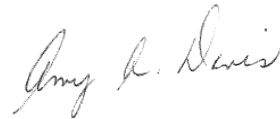
attachments necessitate the need to make physical moves of existing live facilities on the poles, which sometimes requires customer outage(s) to be done safely.

The Companies do not have a choice regarding these required outages, which are necessary to avoid delay and accommodate third-party attachers. With the efforts in the State to provide broadband for all, broadband/telecom-driven outages have grown exponentially over the past several years. The Companies consider these events to be unavoidable and eligible Non-Utility Control Outages, the impact of which should be excluded from the calculation of SAIFI and CAIDI results in accordance with the Joint Proposal, including Appendices I and K. The resulting calculated result, minus the excluded events, would be used to determine whether each or both of the Companies meet reliability targets.

Conclusion

The Companies request that the Commission authorize NYSEG and RG&E to exclude the non-utility control outages identified herein from the calculation of SAIFI and CAIDI performance measures for calendar year 2024 pursuant to the terms of the Companies' current 2023 Joint Proposal.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Amy A. Davis".

Amy A. Davis

Attachment

cc: Cases 22-E-0317 et al. DMM Party List (via e-mail)