

BEFORE THE  
STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

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In the Matter of

New York State Electric & Gas Corporation  
And  
Rochester Gas & Electric Corporation

Cases 15-E-0283, 15-G-0284, 15-E-0285, 15-G-0286

September 2015

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Prepared Testimony of:

Emergency Preparedness/Storm Panel

Office of Electricity, Gas & Water  
Benjamin Dunton  
Power Systems Operations Specialist 4

Cini Abraham  
Utility Engineer 1

Office of Accounting, Audits, and  
Finance  
Richard Leary  
Utility Auditor II

State of New York  
Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223-1350

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1 Q. Please state your names and business addresses.

2 A. Our names are Benjamin Dunton, Cini Abraham, and  
3 Richard Leary. Benjamin Dunton's business address  
4 is 1300 Scottsville Road, Rochester, NY 14624.  
5 Cini Abraham and Richard Leary's business address  
6 is 3 Empire State Plaza, Albany, New York, 12223-  
7 1350.

8 Q. Mr. Dunton, are your educational and professional  
9 qualifications discussed in another testimony in  
10 this proceeding?

11 A. Yes, I provide that information in Staff's  
12 Vegetation Management Panel testimony.

13 Q. Ms. Abraham, please state your position and your  
14 responsibilities.

15 A. I am a Utility Engineer 1 working in the Office of  
16 Electric, Gas and Water for the Department of  
17 Public Service, or Department. My main  
18 responsibilities include maintaining the  
19 Department's Electric Outage Reporting System, or  
20 EORS; pertaining emergency response training for  
21 the Department and Utility Liaisons; monitoring  
22 utility emergency response; updating the

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1           Department's Emergency Plan; and reviewing the  
2           utility's emergency response plans.

3   Q.    Have you previously testified before the  
4           Commission?

5   A.    No.

6   Q.    Mr. Leary, are your educational and professional  
7           qualifications discussed in another testimony in  
8           this proceeding?

9   A.    Yes, I provide that information in the testimony  
10          regarding the Revenue Requirement Panel.

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

12   A.    The purpose of our testimony is to provide the  
13          findings from our review of New York State  
14          Electric and Gas Corporation's, or NYSEG, and  
15          Rochester Gas and Electric Corporation's, or RG&E,  
16          or collectively the Companies, proposals for  
17          technology and training advancements, the all-  
18          hazards approach to Emergency Preparedness, the  
19          purchasing of weather stations and weather  
20          services for select areas in the Companies'  
21          territory, and recovering pre-storm staging costs  
22          for major weather events that do not materialize.

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1 Q. In your testimony, will you refer to, or otherwise  
2 rely upon, any information obtained during the  
3 discovery phase of this proceeding?

4 A. Yes, we will refer to, and have relied upon,  
5 several responses to Information Requests, or IR,  
6 provided by the Companies. These responses are  
7 contained within Exhibit\_\_\_\_ (EPSP-1).

8 Q. Please describe the technology and training  
9 improvements that NYSEG and RG&E has proposed in  
10 their testimony.

11 A. The Companies are proposing to integrate their  
12 damage assessment tool with their outage  
13 management system, or OMS, for \$350,000; develop a  
14 municipal dashboard for elected officials,  
15 government officials, and regulators for \$250,000;  
16 supplement a large scale annual drill with  
17 divisional drills for \$150,000; purchase two  
18 mobile command centers for \$60,000 each; and  
19 provide an industry-specific Incident Command  
20 System, or ICS, class that incorporates  
21 information in the Federal Emergency Management  
22 Agency, or FEMA, 100, 200, and 700 courses for  
23 \$150,000.

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1   Q.   Please describe the benefits of integrating the  
2   damage assessment tool with the Companies' OMS,  
3   the municipal dashboard and supplementing  
4   divisional drills with the large scale annual  
5   drill.

6   A.   We find that the integration of the damage  
7   assessment tool with the Companies' OMS will  
8   enable Incident Command Staff to have a better  
9   understanding of the damage that is currently  
10   affecting their system and make informed decisions  
11   on event management, such as improved estimated  
12   restoration times and global restoration times, as  
13   described in IR NYRC-0729 (DPS-159) response 1 in  
14   Exhibit\_\_\_\_ (EPSP-1).   The municipal dashboard may  
15   be helpful for elected officials, government  
16   officials, and regulators in improving situational  
17   awareness and communications concerning their  
18   particular region, as detailed in IR NYC-0727  
19   (DPS-157) in Exhibit\_\_\_\_ (EPSP-1).   We find that  
20   divisional drills will provide each division a  
21   practical environment to coordinate with each  
22   other and with outside entities to form a more  
23   effective emergency response.

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1   Q.   What are Staff's recommendations in regards to  
2   funding the integration of the damage assessment  
3   tool into the Companies' OMS and supplementing the  
4   large scale annual drill with divisional drills?

5   A.   We recommend approving the funding for NYSEG of  
6   the one-time startup cost of approximately  
7   \$235,730 and the annual cost of \$10,555 and for  
8   RG&E of the one-time startup cost of approximately  
9   \$99,270 and the annual cost of \$4,445 for the  
10   integration of the damage assessment tool with  
11   their OMS. We also recommend supplementing the  
12   Companies' large scale annual drill for  
13   approximately \$105,550 annually for NYSEG and  
14   \$44,450 annually for RG&E for divisional drills.

15   Q.   What are your recommendations in regards to  
16   funding the municipal dashboard?

17   A.   The Companies must use the municipal dashboard as  
18   a supplement and not a replacement for current  
19   reporting practices, which include continuing  
20   communication protocols with elected officials,  
21   government officials and regulators, as stated in  
22   IR NYRC-0727 (DPS-157) response 1 in Exhibit\_\_\_\_\_  
23   (EPSP-1). With that in mind, Staff recommends

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1       \$176,000 for NYSEG and \$74,000 for RG&E for the  
2       development of the municipal dashboard.

3       Q.    Please describe the Companies rationale for  
4       proposing to purchase two mobile command centers.

5       A.    As indicated in IR NYRC-0729 (DPS-159) response 2  
6       in Exhibit\_\_\_\_ (EPSP-1), the Companies are  
7       proposing to purchase two mobile command centers  
8       at \$60,000 each to provide a center for key  
9       decision makers to be closer to the most impacted  
10      area during an emergency event. The Companies  
11      intend to position these command centers in areas  
12      where there are coverage gaps in cell and radio  
13      communications to mitigate the potential for field  
14      communication issues during restoration. A mobile  
15      command center will provide the Companies the  
16      ability to pre-stage at locations and relocate to  
17      hard hit areas. The mobile command centers will  
18      have the ability to access the corporate computer  
19      system and network. This will mitigate personnel  
20      from having to relay information to the divisional  
21      offices. The mobile command centers may also be  
22      used for Unified Command events with police, fire  
23      and other emergency response personnel.

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1 Q. Where are the Companies proposing to position  
2 these mobile command centers?

3 A. The Companies are proposing to stage one mobile  
4 command center at a western location and the other  
5 in an eastern location in their service territory.

6 Q. Do other utilities in New York use mobile command  
7 centers during emergency restoration?

8 A. Yes. Other utilities in New York State have  
9 mobile command centers that are used in certain  
10 emergency events.

11 Q. Did the utilities provide you with any specific  
12 information regarding how the command centers  
13 would integrate into their emergency response  
14 plans?

15 A. No. In IR NYRC-0729 (DPS-159) response 2 in  
16 Exhibit\_\_\_\_ (EPSP-1), the companies generally  
17 indicated how the command centers would be used to  
18 place key decision makers into heavily damaged  
19 areas. This however, lacked detail.

20 Q. Does Staff find the Companies request for two  
21 mobile command centers appropriate?

22 A. Not at this time. The Companies did not provide  
23 enough information to determine when the command

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1       centers will be used, how often they will be  
2       deployed, and the overall rationale behind why two  
3       vehicles are needed versus using one or three.

4   Q.   What are Staff's recommendations for the Companies  
5       regarding purchasing two mobile command centers?

6   A.   Staff has found through other utilities  
7       experiences that, when deployed properly, the  
8       mobile command centers can be beneficial.

9       Therefore, Staff supports funding \$60,000 for one  
10       of the mobile command centers and suggests it  
11       resides in the center of the State to allow the  
12       Companies to respond across their territories. In  
13       addition, during a predicted major weather event  
14       the Companies can easily pre-stage the mobile  
15       command center to the area with the highest  
16       probability of impact. Staff finds that the  
17       Companies do not need another mobile command  
18       center at this time. Once NYSEG implements the  
19       mobile command center, the Companies can  
20       demonstrate the effectiveness of the mobile  
21       command center and the need for the additional  
22       unit.

23   Q.   Has Staff made any adjustments?

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1 A. Yes. To take into account the removal of one  
2 command center, an approximate reduction of  
3 capital expenses for NYSEG is \$42,220 and for RG&E  
4 is \$17,780.

5 Q. What are the Companies proposing in regards to ICS  
6 training?

7 A. The Companies have proposed an industry-specific  
8 ICS course in a classroom setting for the cost of  
9 \$150,000.

10 Q. Do the Companies currently provide ICS training?

11 A. Yes. As the Companies state in their response to  
12 IR NYRC-0726(DPS-156) and IR NYRC-1122(DPS-415) in  
13 Exhibit\_\_\_\_ (EPSP-1), the training is available  
14 online for free through the Department of Homeland  
15 Security and Emergency Services, or DHSES, FEMA  
16 website and is supplemented by webinars, meetings  
17 and supervisory discussions.

18 Q. What rationale do the Companies provide for the  
19 industry-specific ICS training course?

20 A. As stated in IR NYRC-0726(DPS-156) in Exhibit\_\_\_\_  
21 (EPSP-1), the Companies find the online ICS 100,  
22 200 and 700 course materials to be too broad and  
23 did not focus on the activities and reporting

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1 structure specific to the utility environment.

2 The Companies also state that the supplemental  
3 training provide employees with inconsistent  
4 knowledge and understanding.

5 Q. How many Company employees have been trained in  
6 the current ICS course 100, 200, and 700?

7 A. Of the Companies' 3,000 employees in New York, 790  
8 employees have taken training in ICS 100, 614 have  
9 taken ICS 200 and 676 employees have taken the ICS  
10 700 course.

11 Q. How many employees do the Companies propose to  
12 train in the industry specific ICS course?

13 A. The Companies have proposed training 1000  
14 employees in 40 classes of 25 employees, as  
15 mentioned in the Companies' Exhibit EPSP-3  
16 Workpaper 7 and IR NYRC-0726(DPS-156) in  
17 Exhibit\_\_\_\_ (EPSP-1).

18 Q. Does Staff consider ICS training important?

19 A. Staff believes ICS training is an important factor  
20 in emergency preparedness and is needed for all  
21 employees who have roles during storm events in  
22 the Companies. Emergency services related  
23 disciplines such as EMS, hospitals, utilities,

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1       public works, law enforcement, and governmental  
2       agencies, such as Federal, state, and other  
3       government officials take ICS training. The  
4       Department of Public Service Staff takes the ICS  
5       courses offered by FEMA online as well.

6   Q.   What are Staff's recommendations regarding the  
7       specialized ICS training?

8   A.   At this time, Staff finds that the specialized  
9       training course would not be more effective than  
10       the free online training course, the supplemental  
11       training the Companies provide, drill exercises  
12       and their Utility Emergency Plan. The online  
13       courses, supplemental trainings, drills and the  
14       understanding of the Companies emergency plans are  
15       sufficient in defining each employee's roles  
16       during storms.

17   Q.   Has Staff made an adjustment?

18   A.   We reduced operations and maintenance expenses of  
19       approximately \$105,550 for NYSEG and \$44,450 for  
20       RG&E. To account for the removal of the Companies  
21       proposed ICS class, there is a total reduction of  
22       operations and maintenance expenses of \$150,000.

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1   Q.   Please describe the all-hazards approach to  
2   Emergency Preparedness that NYSEG and RG&E are  
3   proposing to implement.

4   A.   The Companies are proposing to develop, document,  
5   and implement an all-hazards approach to emergency  
6   preparedness, which includes a consistent approach  
7   in terminology, organizational structure, plan  
8   structure, and communication plan for the entire  
9   corporation. The cost to NYSEG and RG&E is  
10   \$925,000 for this endeavor. An all-hazards  
11   approach is defined by the Department of Homeland  
12   Security in the Department of Homeland  
13   Security/Office of Disaster preparedness, FY2006  
14   Emergency Management Performance Grant, or EMPG,  
15   Program Guidance for 2005 at page 6, as an  
16   approach that, "encourages effective and  
17   consistent response to any disaster or emergency,  
18   regardless of the cause."

19   Q.   What is your assessment of NYSEG and RG&E's  
20   proposal to incorporate the all-hazards approach  
21   to Emergency Preparedness?

22   A.   Although Staff supports an all-hazards approach to  
23   emergency preparedness, the Companies did not

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1 provide adequate detail on how they propose to  
2 accomplish this goal.

3 Q. What are Staff's concerns?

4 A. Staff is concerned that by creating a master  
5 emergency plan that it will over generalize  
6 response plans and decrease the effectiveness of  
7 the plan. In addition to these concerns, the  
8 Companies' responses to our inquiries displayed a  
9 very general overview of their intentions for this  
10 approach. The Companies did not describe their  
11 concerns regarding overlapping for their current  
12 emergency plans.

13 Q. Please describe your concerns.

14 A. The Companies discussed in IR NYRC-0729 (DPS-159)  
15 in Exhibit\_\_\_\_ (EPSP-1), synergies within the  
16 response organizations, but did not identify them  
17 specifically. Staff needs more detailed  
18 information on this endeavor to consider this an  
19 appropriate ratepayer expense.

20 Q. If the Companies' proposal is not accepted for the  
21 all-hazards approach to emergency preparedness,  
22 will the Companies be at risk?

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1 A. No. As stated in IR NYRC-0729 (DPS-159) in  
2 Exhibit\_\_\_\_ (EPSP-1), the Companies have multiple  
3 standalone emergency response plans, such as the  
4 Electric Emergency Response Plan, the Gas  
5 Emergency Response Plan, business continuity  
6 plans, communication plans, physical security  
7 response plans, and cyber security response plans.  
8 The all-hazards approach is a consolidation of all  
9 these plans into a master plan with annexes.

10 Q. What are Staff's recommendations regarding the  
11 Companies proposal?

12 A. Staff finds that the Companies need a more  
13 developed plan to justify this expenditure.

14 Q. Has Staff made any adjustments?

15 A. Staff reduced approximately \$650,900 from NYSEG  
16 and \$274,100 from RG&E, with a total operations  
17 and maintenance expenses reduction by \$925,000 to  
18 account for the removal of the Companies' proposed  
19 all hazards to emergency preparedness.

20 Q. Please describe NYSEG and RG&E's proposal to  
21 install weather stations and to have access to  
22 weather services.

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1 A. NYSEG is proposing to install 15 weather stations  
2 in its Liberty, Mechanicville, Oneonta, and  
3 Plattsburgh divisions and tentatively in  
4 Binghamton, Elmira, Hornell, and the  
5 Lancaster/Lockport areas for \$30,000. In addition  
6 for \$90,000 annually, the Companies are proposing  
7 to use two weather service providers: Schneider  
8 and Atmos.

9 Q. What do both weather services provide?

10 A. Schneider provides online weather data and can be  
11 directly fed through their damage prediction model  
12 and provide real time weather feedback. Atmos  
13 provides a detailed forecast that is tailored to  
14 each division within the Companies.

15 Q. Have the Companies looked at all possible weather  
16 stations and weather services available to them?

17 A. No. The Companies have not reviewed New York  
18 State's Mesonet for their services as detailed in  
19 IR NYRC-1140 (DPS-433) response 2 in Exhibit\_\_\_\_\_  
20 (EPSP-1).

21 Q. Please describe Mesonet.

22 A. At this time, New York State is developing an  
23 extensive weather network throughout the entire

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1           State called Mesonet. Mesonet is expected to have  
2           the most comprehensive, highest quality weather  
3           station and service network across the State,  
4           consisting of 125 weather stations. The cost for  
5           Mesonet is still being developed, but Staff was  
6           informed that it will be less than what the  
7           Companies are estimating for their proposed  
8           weather services. Mesonet's construction schedule  
9           is currently being developed and weather station  
10          locations are being considered for an expected  
11          completion date at the end of 2016.

12          Q.    What are Staff's recommendations?

13          A.    Staff recommends the Companies review Mesonet's  
14          network. As stated in IR NYRC-1140 (DPS-433)  
15          response 2 in Exhibit\_\_\_\_ (EPSP-1), the Companies  
16          need further information on the Mesonet system to  
17          determine if this is a viable option to receive  
18          the weather services proposed. To eliminate  
19          duplication in effort and construction, Staff  
20          recommends the Companies investigate the Mesonet  
21          project to determine if it could provide them  
22          access to more extensive data at a reduced cost.

23          Q.    Has Staff made any adjustments?

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1 A. We reduced capital expenditures by \$30,000 for  
2 NYSEG by not funding the weather stations. RG&E  
3 did not request any weather stations; therefore  
4 there was no reduction in capital expenditures for  
5 RGE in regards to weather stations. We reduced  
6 the operations and maintenance expenses by  
7 approximately \$63,330 for NYSEG and \$26,670 for  
8 RG&E, to account for the removal of the Companies'  
9 proposed weather services.

10

11 **Pre-Storm Staging Costs**

12 Q. Does Staff previously explain how the Companies  
13 recover its expenses related to storm restoration?

14 A. Yes. The Staff Revenue Requirement Panel's  
15 testimony addresses the expense allowances and  
16 criteria relating to use of the major storm  
17 reserves.

18 Q. Please describe the Companies' proposal to recover  
19 pre-storm staging costs for forecasted major  
20 weather events that do not materialize into a  
21 major storm.

22 A. The Companies are proposing to charge all pre-  
23 storm staging costs against their respective major

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1            storm reserves, whether a major storm materializes  
2            or not.

3    Q.    What are examples of pre-staging costs that the  
4            companies' proposes to charge against the reserve?

5    A.    As stated on page 9 starting on line 19 of the  
6            Companies' testimony of the Emergency  
7            Preparedness/Storm panel, the pre-staging costs  
8            that the Companies want to include are staging of  
9            internal crews; retention of external resources;  
10          base camp logistics, including activation costs;  
11          maintenance of locally staged equipment and remote  
12          resources not affected by the same weather event;  
13          and retention payments for qualified contractors  
14          in order to obtain the right of first refusal.

15    Q.    What is Staff's assessment of NYSEG and RG&E's  
16          proposal to recover the pre-staging costs outlined  
17          by the Companies?

18    A.    Staff finds that recovering the costs for  
19          contractors and the overtime incurred by Company  
20          employees for emergency preparation that are  
21          staged in the field for storm preparation is  
22          acceptable. Another acceptable recoverable  
23          expense are the meals and lodging to feed or house

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1       crews in the field, mutual assistance, and travel  
2       expenses for these events. However, Staff does  
3       not find the pre-staging costs for maintenance of  
4       locally staged equipment and remote resources not  
5       affected by the same weather event, and retention  
6       payments for qualified contractors are appropriate  
7       costs for recovery in these events. Costs  
8       concerning maintenance of locally staged equipment  
9       and remote resources are for items that the  
10      Companies use in their daily operations to  
11      maintain the electrical infrastructure. The  
12      retention payments for qualified contractors are  
13      not made every year as discovered in IR NYRC-0730  
14      (DPS-160) response 3 in Exhibit\_\_\_\_ (EPSP-1).

15   Q.   Are the maintenance of locally staged equipment  
16    and remote resources and the retention payments  
17    for qualified contractors being recovered in  
18    another category?

19   A.   Yes. Currently, these costs are being recovered in  
20    the Companies' operating expenses as indicated in  
21    IR NYRC-0730 (DPS-160) in Exhibit\_\_\_\_ (EPSP-1).

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1 Q. What are Staff's recommendations for the Companies  
2 recovery of pre-storm staging costs for major  
3 storms that do not materialize?

4 A. We recommend the Companies be allowed to charge  
5 pre-storm staging costs for a predicted major  
6 storm that does not materialize into a major storm  
7 under the following conditions:

8 1. The costs must meet a threshold similar to  
9 major storms. For pre-staging costs for  
10 NYSEG, the threshold is \$250,000 and for RGE,  
11 the threshold is \$250,000.

12 2. The Companies have the ability to recover  
13 pre-storm staging costs no more than twice  
14 per year.

15 3. The chargeable costs of labor are limited  
16 to the contractors and the overtime incurred  
17 by Company employees for emergency  
18 preparation that are staged in the field for  
19 storm preparation.

20 4. Additional incremental expenses are  
21 limited to meals and lodging to feed or house  
22 crews in the field, mutual assistance, and  
23 travel expenses.

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1 Q. Are NYSEG and RG&E required to provide  
2 documentation for pre-storm staging cost recovery  
3 for predicted major storm events that do not  
4 materialize?

5 A. Yes. We propose requiring NYSEG and RG&E to  
6 provide Staff the following documentation to  
7 review the cost recovery: a separate report  
8 detailing the costs, as described above; and a  
9 National Oceanic and Atmospheric Administration  
10 report, or similar documentation, demonstrating  
11 the adverse weather event; and documentation of  
12 the decision making and resource availability for  
13 the event. Staff will use this material to  
14 determine whether the costs should be recovered  
15 from their major storm reserves.

16 Q. Does this conclude your testimony?

17 A. Yes.