

BEFORE THE
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

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

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, Mechanicsville, 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.