



New Jersey Board of Public Utilities

NEWS RELEASE

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New Jersey Board of Public Utilities Receives Report On Morristown Underground Electrical Network

TRENTON, N.J. – Today, the New Jersey Board of Public Utilities (Board) received the Special Reliability Master’s (SRM) report on the Board-ordered investigation of Jersey Central Power & Light Company’s (JCP&L) Morristown underground electrical network. The expert’s report contains 25 recommendations for improvement, primarily in areas of operations and maintenance of the system, including the replacement of two remaining oil switches in the network.

“The Special Reliability Master’s report contains an alarming litany of failures by JCP&L to perform preventative maintenance on its underground network system,” said Bob Hanna, President of the NJ Board of Public Utilities. “While I am pleased that JCP&L has already implemented some of the expert’s recommendations, more needs to be done. As a first step, Board staff has been directed to develop specific, verifiable protocols for JCP&L to adopt, including a rigorous preventative maintenance schedule and effective corrective maintenance plan. We will closely monitor JCP&L’s compliance and, if necessary, take additional enforcement action.”

Board staff was directed to review and analyze the Special Reliability Master’s findings and, at the March 12th Board meeting, to present concrete recommendations on actions, such as an approved preventative maintenance schedule, to be required of JCP&L to ensure the safe and reliable operation of the Morristown network.

On Sept. 22, 2011, the Board initiated an investigation of the Morristown underground electrical network following a series of incidents that occurred in recent years resulting in personal injury, property damage, and service interruptions, all of which caused residents, business people and elected officials to voice concerns regarding the system. In one of the most recent incidents, occurring on Aug. 31, 2011, a Morristown woman suffered second degree burns on her arm when an underground oil switch failed and a manhole flashed as she and her two children sat in a vehicle at the intersection of South and James Streets in Morristown.

The Board ordered the investigation into the reliability and safety of the network and directed JCP&L to hire a Special Reliability Master (“SRM”) to critique the underground system’s design, assess the company’s maintenance and operation of the system, determine the current status of the network, and where warranted, make recommendations to increase the safety and reliability of the network. JCP&L engaged PJ Downes Associates, LLC to perform the study via a Board Order on Oct. 13, 2011.

The SRM's report was critical of JCP&L's performance with respect to both preventive and corrective maintenance procedures. It also recommended improvements in the company's communication with local officials and suggested the company schedule an updated training program for the Morristown Fire Department. The report found that the company had not followed its own procedures for undertaking preventive maintenance and that with respect to corrective maintenance the company failed to prioritize appropriately how it undertook the corrective maintenance measures and was also deficient with respect to record keeping in dealing with corrective maintenance issues.

Upon initial review of the report, and after discussions with JCP&L officials, the Board acknowledges that the company has begun to initiate many of the recommendations of the SRM including:

- Replacing electro-mechanical relays with micro-processor relays on one circuit.
- Installing animal guards on the 12 kV Network distribution breakers.
- Reconnecting lightning arrestors on all Network circuits.
- Identifying primary cables in manholes that were not wrapped with fire retardant arc proofing tape and applying said protection.
- Replacement of the two remaining oil switches with vacuum type devices.
- Initiating a preventative maintenance program for network transformers as described in the report.
- Reviewing all transformer vaults in the network against FE/JCP&L standards for ventilation to determine confirmation with the standards or actions to conform if necessary.

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About the New Jersey Board of Public Utilities (NJBP)

The NJBP is a state agency and regulatory authority mandated to ensure safe, adequate and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by the NJBP include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about the NJBP, visit our web site at www.nj.gov/bpu.