



New Jersey Board of Public Utilities

NEWS RELEASE

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N.J. Board of Public Utilities Holds Special Board Meeting to Advance Electric Utilities' Storm Preparedness Plans

TRENTON, N.J. – Today, the New Jersey Board of Public Utilities (Board) held a Special Board Agenda Meeting to formally accept the report prepared by Emergency Preparedness Partnerships (EPP). The report titled, “Performance Review of EDCs in 2011 Major Storms” focuses on the Electric Distribution Companies’ (EDC) preparedness and responses to major storms in light of Hurricane Irene and the subsequent and unexpected October 2011 snowstorm. EPP’s report documents the observations, findings, and their recommendations based on a comprehensive review of the regulated EDCs’ storm preparations and restoration plans.

The report contains 143 industry-wide and EDC-specific recommendations designed to enhance the EDCs preparedness, response and recovery from future major storm events. Immediate action by the EDCs is called for in the report to improve communications, including the addition of staff during storm events to handle expected calls and the use of social media to inform affected customers. Some report recommendations may require further staff review.

The Board established an open written comment period for suggestions regarding actions and/or measures the Board should take. All comments can be emailed to Board.secretary@bpu.state.nj.us or mailed to Office of the Secretary, NJBPU, P.O. Box 350, Trenton, NJ 08625, and must be received no later than September 20, 2012.

“Today the Board continues its work with the electric utilities to ensure they all are prepared for the task of dealing with future weather related emergencies,” said Bob Hanna, President of the N.J. Board of Public Utilities. “The Board will act very soon on recommendations from staff resulting from EPP’s report and stakeholder comments. Future actions, along with other recent actions taken by the Board will significantly improve the electric companies’ performance in the areas of preparedness for severe weather events, ability to communicate accurate and timely information effectively to customers and local authorities, and effectiveness of recovery operations.”

The Board directed staff to evaluate all of the EPP’s recommendations, consider all public comments and to return to the Board next month with recommendations for the Board’s action. The report was first made public on September 5, 2012, when Governor Christie put forth legislation to strengthen oversight and accountability of electric utilities, prioritize preparedness and reliability through standards to protect ratepayers even before an emergency occurs, and empowers regulators to levy significant financial penalties to ensure compliance with the standards.

On August 28, 2011, Hurricane Irene made landfall as a tropical storm in New Jersey and proceeded to cause the largest number of electrical outages in New Jersey's recorded history. The record rainfall, flooding, and extreme winds caused nearly half of all New Jersey residents and businesses - 1.9 million of the state's 3.9 million electric customers - to lose power, many for an extended period of time. Governor Chris Christie quickly acted and directed the Board to conduct an investigation of the EDC's storm planning and restoration decisions and actions.

As the Board's staff was in the early stages of its Hurricane Irene investigation, an unexpected and powerful snowstorm struck New Jersey on October 29, 2011. The northern half of the state was severely impacted with some areas receiving record-breaking snow accumulations for the month of October. The combination of heavy, wet snow and trees full of foliage resulted in fallen trees and limbs that caused extensive damage to infrastructure. Only two months after Irene caused disruption of service to nearly half of the state's electric customers, the snowstorm caused loss of service to nearly 1 million of the state's electric customers.

On December 14, 2011, the Board accepted and acted upon staff's preliminary report on major storm event planning and emergency response by the state's four regulated EDCs to Hurricane Irene and the October Snowstorm. The preliminary report created an action plan to implement readily available "lessons learned" from both storms.

Examples of priority recommendations and best practices identified in the EPP report include:

- Vegetation Management - All EDCs should develop a program to track tree outage information at a more detailed level.
- Incident Command System (ICS) – The best model to manage an effective and efficient restoration process is the ICS. JCP&L and PSE&G should develop and/or follow the ICS for major restoration events.
- Communications - EDC websites and social media need to provide more granular outage details, estimated time of restoration (ETR) and other restoration information.
- Mutual Aid - JCP&L should obtain from its parent company, FirstEnergy, a written mutual aid plan that includes crews from both FirstEnergy affiliated utilities and non-affiliated companies.
- Training and Exercise Drills - All EDCs should hold annual exercise drills that test the EDCs' restoration plans with scenarios that include 75% of the EDCs' customers affected.
- Benchmarking and External Analysis - The practice of benchmarking and external analysis should be required of all EDCs. Each EDC should develop a process to analyze and share restoration experiences among the EDCs within New Jersey and beyond that have experienced a major restoration.

The EPP report can be found at: <http://www.nj.gov/bpu/pdf/announcements/2012/stormreport2011.pdf>