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Decision 98-07-097 July 23, 1998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking for Electric Distribution Facility Standard Setting. (U 39 E)	R.96-11-004 (Filed November 6, 1996)

OPINION

Summary

This decision adopts final rules to govern the electric utilities' planning for and responses to emergencies and major power outages. The rules are adopted pursuant to Public Utilities (PU) Code Section 364(b) and as part of the Commission's ongoing efforts to develop and refine standards to promote the safety and reliability of the state's electric utility distribution system. The decision also adopts minor modifications to accident reporting requirements by electric utilities.

Background

Section 364(b) states in part:

> "The Commission shall...adopt standards for operation, reliability, and safety during periods of emergency and disaster. The Commission shall require each utility to report annually on its compliance with the standards. That report shall be made available to the public."

In compliance with this mandate, and as part of the Commission's overall effort to assure distribution system safety and reliability, the Commission, in Decision (D.) 97-03-070, directed the utilities to propose rules for our consideration. Following workshops and informal discussions, the state's electric

utilities and the International Brotherhood of Electrical Workers Local 1245 filed a Joint Proposal on October 1, 1997. The Utility Reform Network (TURN) also filed a proposal on that day. Several parties commented on the proposals. Subsequently, we issued D.98-03-036, which proposed final rules based on consultation with Energy Division staff, using the Joint Proposal as a foundation and after consideration of the parties' comments. Commissioner Knight issued a concurring opinion soliciting comments on the costs and benefits of the proposed rules and the wisdom of suspending the rules during natural disasters. Commissioner Conlon issued a concurring opinion soliciting comments on the wisdom of requiring the distribution utilities to underground their existing systems. D.98-03-036 also proposed minor changes to accident reporting requirements.

On April 15, 1998, parties filed comments on the rules proposed in D.98-03-036, and filed reply comments on April 29, 1998. The parties also commented on proposals made by Commissioner Conlon and Commissioner Knight, respectively, in concurring opinions issued with D.98-03-036. The California Municipal Utilities Association filed an application for rehearing of D.98-03-036 with regard to its application of certain rules to utilities other than investor-owned utilities.

Enron Corporation (Enron) filed a motion to intervene in this proceeding on April 15, 1998. We hereby grant Enron's motion.

Appropriate Scope of Comments

D.98-03-036 took two steps. One was to assert Commission jurisdiction over the electric distribution systems of publicly-owned utilities (such as municipal utilities and special districts) for the purpose of regulating the distribution system reliability standards adopted previously by the Commission

in D.97-03-070. The other was to solicit comments on rules we proposed for the utilities' emergency response activities.

Some of the comments filed in response to D.98-03-036 suggest a misunderstanding. The comments of City and County of San Francisco (CCSF), and Merced Irrigation District (MID), for example, argue that the Commission has no jurisdiction to require publicly-owned utilities to submit to Commission reporting requirements or rules regarding distribution system reliability. However, we did not solicit comments on this issue. Rather, D.98-03-036 ordered publicly-owned utilities to comply with the standards adopted in D.97-03-070. CCSF and MID's concerns could have properly been the subject of a timely application for rehearing of D.98-03-036 with regard to the finding that the Commission has jurisdiction over publicly-owned utilities for the purpose of the rules adopted in D.97- 03-070.

The Process of Developing Emergency Rules

D.98-03-036 proposed rules following a process whereby numerous parties met and conferred, and after the receipt of two proposals and comments on them. The process was similar to those we have used many times over the years in developing rules governing utility activity. Nevertheless, in its comments, Southern California Edison Company (Edison) argues that the Commission's process of proposing emergency rules is legally untenable. For example, Edison believes D.98-03-036 is unlawful because it proposes rules which are unsupported by findings of fact and conclusions of law. Edison expresses concern that the proposed rules "cannot be traced to discussions conducted or factual conclusions reached among the participants during the workshops." It states the Commission erred by failing to consider the cost of implementing the rules pursuant to Section 364(b).

Edison's procedural concerns are misplaced at this stage of the process. The Commission is not required to make findings and conclusions when it merely issues a set of rules for comment. Likewise, the Commission need not consider the costs of rules which it does not adopt. With regard to emergency rules, D.98-03-036 took no formal action except to solicit comments. Contrary to Edison's suggestion, the Commission may not rely on discussions or "factual conclusions" reached in workshops held in this proceeding because those workshops were not reported and the discussions are not part of the record of this proceeding.

Edison's comments also suggest a misunderstanding with regard to the role of the Commission in evaluating parties' proposals. Edison suggests that the decision errs because it "lacks any specific findings germane to the changes and additions which separate the Proposed Standards from the Joint Proposal." However, the Commission does not have the burden to demonstrate that a party's proposal is faulty or unreasonable by making findings to that effect. The burden is on the moving party to demonstrate the reasonableness of a proposal and to persuade the Commission to adopt it.

Comments on Proposed Rules Generally

The rules we issued for comment in D.98-03-036 required, among other things, that electric distribution utilities develop certain reporting and notice procedures, coordinate emergency planning and response efforts with appropriate government agencies, maintain specified call center performance levels during emergencies, and restore power to customers at specified periods after the onset of a major outage or face penalties.

The largest jurisdictional utilities (Pacific Gas and Electric Company (PG&E), Edison, San Diego Gas & Electric Company (SDG&E), Sierra Pacific and

PacifiCorp) express concerns that some of the rules we proposed in D.98-03-036 are unrealistic and may impose system costs that are not justified. They urge the Commission to adopt the Joint Proposal they presented to the Commission with some exceptions. The utilities are particularly concerned with requirements related to call center performance and restoration criteria. They argue that neither of these proposals has been explored on the record and both are likely to impose substantial costs without providing commensurate benefits. The utilities also object to the rule requiring them to use Response Information Management (RIMS) technology during major outages, observing that the requirement may be expensive and unnecessary. They also propose numerous other more modest modifications. Edison and PG&E argue that some of the proposed rules cannot be adopted until and unless the Commission considers their impact in evidentiary hearings and makes findings with regard to their implications.

Enron and California Farm Bureau Federation (Farm Bureau) state a concern that PG&E has estimated the cost of emergency response programs to exceed $450 million in its general rate case. Enron and Farm Bureau urge the Commission to consider the fiscal impacts of the rules it would adopt before making them final.

Office of Ratepayer Advocates (ORA) concurs with the utilities' observation that the call center requirements proposed in D.98-03-036 are too stringent. It recommends adopting TURN's proposed standard, which would require the utilities to be able to answer at least 50% of incoming calls during emergencies.

TURN supports the proposed rules' provisions for call center performance which require a queue wait of no more than 40 seconds and less than 3% busies during outages. TURN's believes these provisions will reflect the need for customers to contact the utility to report hazardous conditions. TURN also

supports the restoration standard, commenting that it is reasonable because it is less stringent than if the Commission were to require the utilities to maintain historic performance levels during major outages.

Final Emergency Response Rules

We herein adopt final emergency rules for PG&E, Edison, SDG&E, PacifiCorp and Sierra Pacific. The rules we adopt are substantially similar to those proposed by the utilities in their Joint Proposal and are consistent with the comments the utilities offered in response to the rules proposed in D.98-03-036. Although TURN and ORA suggested that we adopt additional standards, no party, including TURN and ORA, objected to the standards we adopt today. Moreover, although they are considerably less stringent than those proposed in D.98-03-036, the utilities have made compelling arguments that the relative benefits of many of the rules we proposed may be trivial. For other of the proposed rules, we share the utilities' concerns that we do not have an adequate record at this time to go further.

The rules we adopt today differ from those proposed in D.98-03-036 in large part because they do not include requirements addressing to call center performance, restoration times and associated penalties, RIMS installations, mutual assistance agreements and adherence to Standardized Emergency Management System. These proposals are too far-reaching to adopt without substantial evidence that they are cost-effective, likely to have their intended effect and otherwise reasonable.[1] We do not have such evidence here. We have made numerous other minor changes to the proposed rules in response to utility recommendations that are uncontroversial and on their face reasonable. For

[1] We do not excuse PG&E from call center performance standards adopted in D.95-09-073.

example, we have redefined the term "emergency" to exclude events attributable to maintenance problems and labor strikes. We have adopted rules that require the utilities to provide us with general plans for responding to emergencies but do not implicitly require the utilities to present us with detailed procedural manuals. Rather than requiring the utilities to provide relevant agencies notice within hours of the beginning of an event, we require notice within hours of the identification of the event by the utility, recognizing that in some cases the utility may be unavoidably ignorant of a problem on its system and should not be penalized as a result.

Because we adopt rules that are substantively the same as those the utilities proposed, and because they are rules for which the utilities suggested no significant implementation costs, we do not need to consider the matter of whether the rules are cost-effective. We assume they are, considering the utilities' support for them and because the rules appear to require utility procedures that are substantially similar to those they already conduct.

In response to the parties' comments regarding suspending the rules during declared states of emergency, we find that the rules should not be suspended automatically under any circumstance because they are designed to protect the public specifically during periods of emergency. Nevertheless, as we stated in D.98-03-036, we retain our discretion to excuse a utility from strict compliance with the rules where the utility is able to demonstrate, after the fact, that its response to a natural disaster or other emergency was reasonable under the circumstances. The standards serve as a benchmark for such a review.

Finally, we state our intent to consider three other proposals in more depth. We intend to hold hearings on the efficacy of three rules proposed in D.98-03-036, specifically, those concerning call center performance, restoration times, and the use of RIMS communications facilities. We are interested in call

center performance standards because we believe they may be required to assure customers have reasonable opportunities to reach the utility during periods of emergency in order to report hazards or local outages. Restoration time standards may provide a reasonable incentive for the utility to maintain its distribution system in a way that preserves the system's integrity during emergency conditions. Associated penalties may recognize the fact that extended outages are costly to the state's economy and may compromise community safety. We are interested in RIMS communications facilities because they are the facilities used by governmental agencies concerned with emergency response and their use by the utilities will facilitate communication with those agencies. We are interested in these three issues generally and will not limit our review of these items to the specific rules proposed in D.98-03-036. We will provide a schedule for exploring these matters in a forthcoming ruling.

Applicability of Emergency Response Rules

CCSF seeks a clarification of the rules regarding their applicability to publicly-owned utilities, such as CCSF, which do not own or operate distribution systems. We clarify herein that the rules adopted in D.97-03-070 and those we adopt today apply only to utilities that operate distribution systems.

California Municipal Utilities Association, City of Anaheim, Sacramento Municipal Utility District, Modesto Irrigation District, and City of Santa Clara support the finding in D.98-03-036 that the emergency response rules do not apply to publicly-owned utilities. Santa Clara seeks confirmation that the emergency rules do not apply to publicly-owned utilities. We clarify here that D.98-03-036 did not find that the Commission's adopted emergency response rules would apply to publicly-owned utilities.

Undergrounding

Commissioner Conlon's concurring opinion in D.98-03-036 solicited the parties' views with regard to whether the Commission should require undergrounding of existing distribution and transmission facilities as a way to improve system reliability.

SDG&E comments that undergrounding distribution and transmission is very expensive, about $1 million per mile for distribution and $2 million per mile for transmission. SDG&E believes systems that are installed underground are no more reliable than those installed overhead and that their useful life is shorter. Edison and PG&E share SDG&E's view that undergrounding distribution facilities does not necessary improve system reliability. PG&E comments that undergrounding may reduce the frequency of outages caused by certain types of event, such as high winds, but increase outages in case of flood or earthquake. PG&E suggests that further exploration of the issue may be appropriate in the context of reviewing the Commission's line extension rules which do not require undergrounding for all types of new construction.

We appreciate the parties' comments and will continue to explore the matter informally. We may, at a later time, institute a rulemaking or investigation on undergrounding electric distribution and transmission facilities.

Final Accident Reporting Rules

D.98-03-036 proposed certain changes to accident reporting rules designed to clarify the types of reports the utilities must submit and under what circumstances. PG&E and Edison argue that the proposed changes to the accident reporting rules should be rejected on the basis that the Commission directed its staff to propose such rules by way of a petition to modify another order. PG&E argues that it should not be required to report a circumstance

which, in the opinion of a government official, may have been caused by PG&E facilities but for which PG&E has not assumed liability.

The Commission proposed the changes to the rules in Appendix B of D.98-03-036. We would not reject them on the basis that the Commission's own staff did not propose them as part of a petition to modify a previous order.

Section 1708 provides the Commission with authority to modify one of its orders on its own motion. The purpose of the changes to the rules is to assure the Commission is able to monitor incidences affecting each utility's system or which may be affected by utility facilities. The utilities have not made a reasonable case for rejecting these rather modest changes to our rules. With some minor modifications to clarify appropriate communications, we adopt the accident reporting rules as proposed.

Findings of Fact

1. The rules set forth in Appendix A are substantially those proposed by the utilities in their Joint Proposal and are uncontested by other active parties. The rules satisfy the requirements of Section 364(b) requiring that the Commission adopt emergency response rules for jurisdictional distribution utilities.

2. The rules set forth in Appendix B will help assure that the Commission is able to monitor accidents which affect or which may be affected by utility operations or facilities.

3. Standards addressing call center performance, restoration times, and the use of RIMS communications facilities may fulfill Commission objectives discussed herein with regard to protecting public safety and minimizing the economic costs associated with major outages. The record in this proceeding is not adequate to reach any final conclusions about the efficacy of or costs associated with implementing specific rules.

Conclusions of Law

1. The Commission should adopt the rules set forth in Appendix A addressing electric distribution utility emergency preparedness and response.

2. The Commission should adopt the rules set forth in Appendix B of this decision regarding accident reporting.

3. The rules adopted herein should apply only to PG&E, Edison, SDG&E, Sierra Pacific, PacifiCorp, and any other jurisdictional electric distribution utility. The rules do not apply to publicly-owned and municipal utilities.

4. The rules adopted in D.97-03-070 should apply only to utilities that operate electric distribution systems.

5. The Commission should initiate a review of possible standards addressing call center performance, restoration times and the use of RIMS communications facilities.

O R D E R

IT IS ORDERED that:

1. The rules set forth in Appendix A of this decision regarding electric distribution utility emergency preparedness and response are adopted.

2. The rules set forth in Appendix B of this decision regarding electric utility accident reporting are adopted.

3. This proceeding shall remain open for the purpose of investigating additional emergency preparedness and response rules as set forth in this decision and pursuant to subsequent rulings.

This order is effective today.

Dated July 23, 1998, at San Francisco, California.

RICHARD A. BILAS
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners

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General Order No. 166

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Standards for Operation, Reliability, and Safety During Emergencies and Disasters

Adopted July 23, 1998. Effective July 23, 1998.
(D.98-07-097 in R.96-11-004)

Applicability: This General Order applies to all electric utilities subject to the jurisdiction of the CPUC with regard to matters relating to electric service reliability and/or safety.

Purpose: The purpose of these standards is to insure that jurisdictional electric utilities are prepared for emergencies and disasters in order to minimize damage and inconvenience to the public which may occur as a result of electric system failures, major outages, or hazards posed by damage to electric distribution facilities. The standards will facilitate the Commission's investigations into the reasonableness of the utility's response to emergencies and major outages. Such investigations will be conducted following every major outage, pursuant to and consistent with Public Utilities Code Section 364(c) and Commission policy.

Summary: The following rules require each jurisdictional electric utility to:

- Prepare an emergency response plan and update the plan annually. Standard 1.
- Enter into mutual assistance agreements with other utilities. Standard 2.
- Conduct annual emergency training and exercises using the utilities emergency response plan. Standard 3.
- Develop a strategy for informing the public and relevant agencies of a major outage. Standard 4.
- Coordinate internal activities during a major outage in a timely manner. Standard 5.

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- Notify relevant individuals and agencies of an emergency or major outage in a timely manner. Standard 6.

- Evaluate the need for mutual assistance during a major outage. Standard 7.

- Inform the public and relevant public safety agencies of the estimated time for restoring power during a major outage. Standard 8.

- Train additional personnel to assist with emergency activities. Standard 9.

- Coordinate emergency plans with state and local public safety agencies. Standard 10.

- File an annual report describing compliance with these standards. Standard 11.

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Definitions

Accessible: A condition which permits safe and legal access.

Appropriate Regulatory Authority: The agency or governmental body responsible for regulation or governance of the utility.

Critical Customers: Customers requiring electric service for life sustaining equipment.

Emergency or Disaster: An event which is the proximate cause of a major outage, including but not limited to storms, lightning strikes, fires, floods, hurricanes, volcanic activity, landslides, earthquakes, windstorms, tidal waves, terrorist attacks, riots, civil disobedience, wars, chemical spills, explosions, and airplane or train wrecks.

Essential Customers: Customers requiring electric service to provide essential public health and safety services.

Major Outage: Consistent with Public Utilities Code Section 364, a major outage occurs when 10 percent of the electric utility's serviceable customers experience a simultaneous, non-momentary interruption of service. For utilities with less than 150,000 customers within California, a major outage occurs when 50 percent of the electric utility's serviceable customers experience a simultaneous, non-momentary interruption of service.

Safety Standby: Interim activities undertaken to mitigate immediate public safety hazards.

Serviceable Customer: A customer prepared and properly equipped to receive service where both the customer's electrical service facilities and those facilities of the utility necessary to serve the customer can be legally and physically accessed in a safe manner.

Standard 1. Emergency Response Plan

The utility shall prepare an emergency response plan ("plan") setting forth anticipated responses to emergencies and major outages. The plan will help assure the utility is best able to protect life and property during an emergency or major outage and communicate the scope and expected duration of an outage. The plan shall include the following elements:

A. Internal Coordination

The plan shall describe the utility's internal coordination function, including how the utility will gather, process, and disseminate information within the service area, set priorities, allocate resources and coordinate activities to restore service. The utility will coordinate internal activities in an emergency operations center or use some other arrangement suitable for the purposes of internal coordination.

B. ISO/TO Coordination

The plan shall provide for utility coordination with the ISO, including gathering, processing and disseminating information from the ISO, and providing information regarding how the utility will establish priorities and estimates of service restoration. A utility that does not deal directly with the ISO shall describe how it will coordinate its efforts with the TO.

C. Media Coordination

The plan shall address the utility's provision of timely and complete information available to the media before, during and immediately after a major outage. Such information shall include estimated restoration times and a description of potential safety hazards if they exist.

D. External and Government Coordination

The plan shall address the utility's efforts to coordinate emergency activities with appropriate state and local government agencies. The utility shall maintain lists of contacts at each agency which shall be included in the plan and readily accessible to employees responsible for coordinating emergency communications. The utilities may address the use by governmental agencies of California's Standardized Emergency Management System (SEMS) .

E. Safety Considerations

The plan shall describe how the utility will assure the safety of the public and utility employees and the utility's procedures for safety standby. The plan shall include contingency measures regarding the resources required to respond to an increased number of reports concerning unsafe conditions.

F. Damage Assessment

The plan shall describe the process for assessing damage and, where appropriate, the use of contingency resources required to expedite a response to the emergency. The plan will generally describe how the utility will set priorities, facilitate communication, and restore service.

G. Restoration Priority Guidelines

The plan shall include guidelines for setting priorities for service restoration. In general, the utility shall set priorities so that service is restored first to critical and essential customers, and so that the largest number of customers receive service in the shortest amount of time.

H. Mutual Assistance

The plan shall describe how the utility intends to employ resources available pursuant to mutual assistance agreements for emergency response. Mutual assistance shall be requested when local resources are inadequate to assure timely restoration of service or public safety. Mutual assistance need not be requested if it would not substantially improve restoration times or mitigate safety hazards. The plan shall

recognize the need to communicate mutual assistance activities with the State Office of Emergency Services, through the UOC/OES Utility Branch, during an emergency."

I. Plan Update

The plan shall be updated annually to incorporate changes in procedures, conditions, law or Commission policy. The utility shall submit plan updates as part of the annual report required by Standard 11.

Standard 2. Mutual Assistance Agreement(s)

The utility shall enter into mutual assistance agreement(s), such as those facilitated by the California Utilities Emergency Association, to the extent that such agreements are practical and would improve emergency response. The utility shall submit the agreements annually to CPUC designated staff as part of the report required by Standard 11. The agreements shall include the following elements:

A. Resources that are available to be shared.

B. Procedures for requesting and providing assistance.

C. Provisions for payment, cost recovery, liability and other financial arrangements.

D. Activation and deactivation criteria.

Standard 3. <u>Emergency Training and Exercises</u>

A. The utility shall conduct an exercise annually using the procedures set forth in the utility's emergency plan. If the utility uses the plan during the twelve-month period in responding to an event or major outage, the utility is not required to conduct an exercise for that period.

B. The utility shall annually evaluate its response to an exercise or major outage. The evaluation shall be provided to the CPUC as part of the report required by Standard 11.

C. The utility shall annually train designated personnel in preparation for emergencies and major outages. The training shall be designed to overcome problems identified in the evaluations of responses to a major outage or exercise and shall reflect relevant changes to the plan.

D. The utility shall provide no less than ten days notice of its annual exercise to appropriate state and local authorities, including the CPUC, state and regional offices of the OES or its successor, the California Energy Commission, and emergency offices of the counties in which the exercise is to be performed. The utility may participate in other emergency exercises designed to address problems on electric distribution facilities or services, including those emergency exercises of the state and regional offices of the OES or its successor, and county emergency offices.

Standard 4. Communications Strategy

The utility shall develop and maintain a written strategy for how it will communicate with the public before, during and immediately following major outages as follows:

A. Customer Communications - Media & Call Center

The communications strategy shall describe how the utility will provide information to customers by way of its call center and other communications media before, during and immediately following a major outage. The strategy shall anticipate the use of radio, television, newspapers, mail and electronic communications media.

B. Government

The communications strategy shall include pre-event coordination with appropriate state and local government agencies, including the appropriate methods for information exchange, to enhance communications activities during and immediately following a Major Outage.

C. Independent System Operator/Transmission Owner

The communications strategy will describe how the utility will coordinate its communications with the ISO and/or the TO. The utility shall cooperate with the ISO/TO to coordinate the information provided to customers, media, and governmental agencies when the operation of the transmission system affects customer service.

Standard 5. Activation Standard

Within one hour of the identification of a major outage, the utility shall begin coordinating its internal resources as set forth in its emergency plan.

Standard 6. Initial Notification Standard

Within hour of the identification of a major outage or other newsworthy event, the utility shall notify the Commission and Warning Center at the Office of Emergency Services of the location, possible cause and expected duration of the outage. The Warning Center at the OES is expected to notify other state and local agencies of the outage. Subsequent contacts between state and local agencies and the utility shall be conducted between personnel identified in advance, as set forth in Standard 4.B. From time to time the Commission staff may issue instructions or guidelines regarding reporting.

Standard 7. Mutual Assistance Evaluation Standard

No later than 4 hours after the onset of a major outage, the utility shall begin the process of evaluating and documenting the need for mutual assistance. The utility is not required to seek assistance if it would not substantially expedite restoration of electric service or promote public safety. The utility should reevaluate the need for assistance throughout the period of the outage.

Standard 8. Major Outage and Restoration Estimate Communication Standard

A. Within 4 hours of the identification of a major outage, the utility shall make information available to customers through its call center and notify the media of the major outage, its location, expected duration and cause. The utility shall provide estimates of restoration times as soon as possible following an initial assessment of damage and the establishment of priorities for service restoration.

B. Within 4 hours of the initial damage assessment and the establishment of priorities for restoring service, the utility shall make available through its call center and to the media the estimated service

restoration times by geographic area. If the utility is unable to estimate a restoration time for a certain area, the utility shall so state.

Standard 9. Personnel Redeployment Planning Standard

The utility shall maintain a training and redeployment plan for performing safety standby activities and assessing damage during a major outage. The utility should plan to have personnel available to augment the number of employees whose duties include safety standby and damage assessment activities. The utility shall identify and train additional employees to perform safety standby activities and assess damage during emergencies requiring such activities and major outages, and in lieu of their normal duties.

Standard 10. Annual Pre-Event Coordination Standard

The utility shall annually coordinate emergency preparations with appropriate state, county and local agencies and the ISO/TO. As part of such activities, the utility shall establish and confirm contacts and communication channels, plan the exchange of emergency planning and response information, and participate in emergency exercises or training.

Standard 11. Annual Report

The utility shall annually report to the CPUC and other appropriate governmental agencies by October 31 regarding its compliance with this general order for the previous twelve months ending June 30. The annual report shall identify and describe any modifications to the utility's emergency plan.

Further, the utility shall report on the number of repair and maintenance personnel in each personnel classification in each county (and total throughout the company), as of June 30 of the current and previous year.

(END OF APPENDIX A)

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ACCIDENT REPORTING REQUIREMENTS

1. Within 2 hours of a reportable incident, the utility shall provide notice to designated CPUC staff of the general nature of the incident, its cause and estimated damage. The notice shall identify the time and date of the incident, the time and date of notice to the Commission, the location of the incident, casualties which resulted from the incident, identification of casualties and property damage, and the name and telephone number of a utility contact person. This notice may be by (a) calling an established CPUC Incident Reporting Telephone Number designated by the Commission's Utilities Safety Branch or its successor (b) sending a message to an electronic mail address designated by the Commission's USB or its successor or (c) sending a message to the Commission's facsimile equipment using a form approved by the Commission's USB or its successor and at numbers USB may designate for use during normal business hours. Telephone notices provided at times other than normal business hours shall be followed by a facsimile report by the end of the next working day.

2. Within twenty business days of a reportable incident, the utility shall provide to designated CPUC staff a written account of the incident which includes a detailed description of the nature of the incident, its cause and estimated damage. The report shall identify the time and date of the incident, the time and date of the notice to the Commission, the location of the incident, casualties which resulted from the incident, identification of casualties and property damage. The report shall include a description of the utility's response to the incident and the measures the utility took to repair facilities and/or remedy any related problems on the system which may have contributed to the incident.

3. Reportable incidents are those which: (a) result in fatality or personal injury rising to the level of in-patient hospitalization and attributable or allegedly attributable to utility owned facilities; (b) are the subject of significant public attention or media coverage and are attributable or allegedly attributable to utility facilities; (c) involve or allegedly involve trees or other vegetation in the vicinity of power lines and result in fire and/or personal injury whether or not in-patient hospitalization is required.

4. Incidents involving damage to property of the utility or others estimated to exceed $20,000 that are attributable or allegedly attributable to utility owned facilities shall be reported within 60 days of their occurrence to designated

staff of the CPUC. The report shall be structured in a form acceptable to the designated staff.

(END OF APPENDIX B)