

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
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Secretary

May 9, 2008

Hon. Jaclyn A. Brillling, Secretary
NYS Public Service Commission
Three Empire State Plaza
Albany, NY 12223

2008 MAY -9 PM 4:58

Re: Case 06-E-0894 – Proceeding on Motion of the Commission to Investigate the Electric Power Outages in Consolidated Edison Company of New York, Inc.'s Long Island City Electric Network.

Dear Secretary Brillling,

Attached for filing is the Department of Public Service (DPS) Staff's Statement in Support of the Joint Proposal, filed on April 24, 2008, in the above-captioned case. Staff and the Signatory Parties to the Joint Proposal have offered it as a proposed resolution of the prudence investigation, initiated in connection with the 2006 Long Island City network outages.

DPS Staff seeks Commission adoption of the terms of this Joint Proposal in their entirety.

Respectfully submitted,

Diane T. Dean
Diane T. Dean
Guy R. Mazza
Guy R. Mazza
Staff Counsels

cc: Hon. Jeffrey Stockholm
Hon. Eleanor Stein
Active Parties

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

CASE 06-E-0894 – Proceeding on Motion of the Commission to Investigate the
Electric Power outages in Consolidated Edison Company of New
York, Inc.'s Long Island City Electric Network.

CASE 06-M-1108 – Petition of Certain Members of the New York State Legislature
Regarding Consolidated Edison Company of New York Inc.'s
Electric Service Outages.

STATEMENT OF THE
DEPARTMENT OF PUBLIC SERVICE STAFF
IN SUPPORT OF JOINT PROPOSAL

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Assistant Counsel

GUY R. MAZZA
Assistant Counsel

Dated: May 9, 2008
Albany, New York

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STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

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DEPARTMENT OF PUBLIC SERVICE STAFF'S
STATEMENT IN SUPPORT OF JOINT PROPOSAL

In July 2006, Consolidated Edison Company of New York's (Con Edison or Company) Long Island City (LIC) network in the Borough of Queens experienced extensive outages. Some customers were without power for up to nine days. By order issued July 26, 2006, the Public Service Commission (Commission) directed Department of Public Service (DPS) Staff to conduct a comprehensive investigation of the electric outages, including, among other things, the events that led to the outages, the Con Edison response, and the costs incurred by Con Edison as a result.

DPS Staff concluded in its report that Con Edison should have shut the entire LIC network down rather than attempting to repair repeatedly failing transformers and delivery system feeders. In Staff's opinion, Con Edison's failure to shut down the network before, or, at the very least, at the 10th contingency resulted in transformers and secondary delivery facilities being burned beyond repair, the costs of which should not be borne by ratepayers. Staff recommended that the Commission review the prudence of Con Edison's actions and omissions leading up to and during the LIC network event to determine whether Con Edison should be allowed to recover in rates the system damage costs associated with the LIC network outages.

The Commission, on April 18, 2007, issued an order initiating a prudence proceeding in connection with the July 2006 outages in the LIC network. On July 10, 2007, Staff filed its prima facie prudence case and other parties submitted issues for resolution in litigation. Con Edison responded to those briefs and after Staff submitted a rebuttal to Con Edison, the parties began to discuss the possibility of settling the prudence proceeding. The participating parties included: Con Edison, DPS Staff, the New York State Consumer Protection Board (CPB), Western Queens Power For the People (WQPFP), the New York State Office of the Attorney General (OAG), Assemblyman Richard L. Brodsky, the Queens Borough President (Queens BP), the City of New York (NYC), the Public Utility Law Project (PULP), and the Utility Workers Union of America AFL-CIO, Local 1-2 (Union). Of those parties, Con Edison, DPS Staff, CPB, WQPFP, Assemblyman Brodsky, NYC, and PULP became Signatory Parties to the Joint Proposal, which is intended by the parties to resolve the prudence case in its entirety.

OVERVIEW OF THE JOINT PROPOSAL

The Joint Proposal recommends that Con Edison be prohibited from including in rates \$46 million in capital-related costs the Company incurred to repair and replace damaged facilities in the LIC network. Broken down, the Joint Proposal recommends that Con Edison not be allowed to recover in rates \$6 million in carrying charges on \$40 million of capital investment in the LIC network. Staff concluded that these capital costs represent the actual damage to the LIC network due to the 2006 outages and, therefore, would be the amount for which the Commission would have a reasoned basis to disallow in rates. As such, the \$46 million represents the total rate adjustment customers would have received had the prudence case been fully litigated.

The second part of the Joint Proposal recommends adoption of a \$17 million direct community benefit, to be used for one-time credits to direct and indirect Queens customers affected by the outages, and for environmental projects within the affected community. The \$17 million in direct community funding, which is in

addition to the \$46 million capital adjustment described above, will be used to benefit the Queens communities in the following ways: first, approximately one half of the \$17 million would be used to provide one-time bill credits to customers and in Queens who were directly impacted by the 2006 outages; second, up to \$500,000 will be used to study the economic impacts of the outages on customers; third, the remaining portion of the \$17 million will be used for greening projects in Queens, primarily for urban tree planting, which has proven energy-efficiency and summertime cooling benefits; and, finally, the customer credits will be accompanied by a statement from Con Edison expressing its regret for the Company's performance during the 2006 outages and for the hardships it placed on the Queens community.

THE LEGAL FRAMEWORK

Public Service Law §65(1) requires that utility service be safe and adequate and that customer charges paying for that service be just and reasonable. The scope of Commission review of a utility's rates includes an inquiry as to whether the utility acted prudently in incurring the costs it seeks to recover.¹ As the Commission stated, "It would be neither just nor reasonable for a utility's customers to bear the cost of inefficient management or poor planning."²

In DPS Staff's July 10, 2007 prima facie filing, Staff outlined the basis for its claim that Con Edison's management of the LIC network caused outages and extensive system damage that could have been avoided. Staff sought from the Commission the full amount of LIC-related capital expenditures Con Edison had

¹ Matter of Long Island Lighting Co. v. Public Serv. Comm'n of State of N.Y., 134 A.D. 2d 135 (3d Dept. 1987).

² Consolidated Edison Company of New York, PSC Opn. No. 79-1 (issued January 16, 1979).

incurred up to that time, comprised of \$40 million, plus carrying charges (“capital costs”).³

In contrast, the Joint Proposal’s \$17 million community benefit is outside the bounds of any outage-related remedy the Commission could require under current utility law. This is because the Public Service Law provides no remedy by which the Commission may order the utility to compensate individuals who are harmed directly by electric outages.⁴ Customers may commence private civil claims alleging that their utility acted with gross negligence or willful misconduct. State appellate courts have held, however, that the Commission is without authority to order payment for damages to customers directly affected by outages even when a utility’s actions have been found to be negligent.⁵ Therefore, even if this case were litigated to conclusion, it could not provide the opportunity for the Commission to order that the Queens customers who were affected by the LIC network outages would receive compensation for the hardships they suffered during the service outage.

VALUING THE CAPITAL DISALLOWANCE THAT THE COMMISSION MAY HAVE AWARDED

Overview

Staff’s initial investigation found that much of the LIC network’s secondary delivery system and numerous transformers were severely damaged during the July 2006 outages. In its prudence case filing, DPS Staff alleged that, had Con Edison

³ See DPS Staff’s July 10, 2007 Prima Facie Brief at 42. Since then, the Company has continued to make capital improvements, which totaled \$63.4 million through December 2007.

⁴ Utility tariffs do provide, in some circumstances, individual customer reimbursement for food spoilage and lost medicine. These limited reimbursements were made in connection with the LIC outages and are not part of this proceeding.

⁵ Matter of New York Telephone v. Public Service Commission of the State of N.Y., 271 A.D. 2d 35 (3rd Dept. 2000) [PSC not authorized to award damages for poor service].

acted prudently during the July 2006 outages, the Company would have shut down the entire LIC network before, or, at the very least, once the system reached a 10th contingency (i.e., 10 feeders out of service). Instead, the Company attempted to bring the entire LIC electric network back up to full operation while transformers and secondary delivery facilities continued to be damaged.

In quantifying the costs associated with what Staff saw as Con Edison's imprudent decision-making -- not shutting down the LIC network during the July 2006 outages -- Staff developed a cost estimate from Company-provided spreadsheets, itemized equipment and installation cost information. Staff looked primarily at Company-identified costs associated with secondary delivery facility construction in the areas of the LIC network affected by the outages. Staff's conclusions, drawn from Staff's observations during its review of the secondary system repairs, were then applied to other facilities, such as transformer repairs and replacements.

Underlying Data

The actively negotiating parties to the prudence case met during negotiations in an attempt to determine the best available basis for identifying which system damage costs were attributable to the decision not to shut down the LIC network during the July 2006 event and were, therefore, shareholders' and not ratepayers' responsibility. The parties heard generally from Con Edison's engineers about the work the Company had done in the LIC network (both outage-related and non-outage-related) in the period after the July 2006 network outages. For this review of Con Edison's construction and capital investment, Con Edison provided information and documents to the parties in this informational session as well as documents afterwards in a more detailed meeting between Staff and Company engineers and accountants on January 15, 2008. Staff used this information to estimate how much work was associated with outage-related damage and repairs. The costs Staff sought to identify would be the imprudently-incurred costs, and were in contrast to LIC network system upgrades and reinforcements to undamaged

equipment which may have been done concurrently but which would not be subject to a rate-making disallowance as part of this prudence proceeding.

The Company provided the active parties and Staff with spreadsheets accounting for all of its LIC network costs (both outage-related and non-outage-related). See Con Edison Cost Breakdown, Appendix A, attached.⁶ Of the work described in these spreadsheets, the Company deemed approximately \$16.7 million as outage-related. After reviewing the data, Staff concluded that the \$16.7 million figure significantly understated the Con-Edison's outage-related costs. Using Con Edison field inspection data, field work summaries, shunt lists, and cable sheets, Staff concluded that the full amount of actual outage-related recovery, restoration and repair costs is best estimated at \$40 million.

Staff's Approach

The Company tracked and identified the work it performed in the LIC network on 509 lay-out sheets. It placed this work into three Types. The Company attributed all of Type 1 work (valued at \$16.7 million) to the LIC network outages, but categorized Types 2 and 3 as "reinforcement" or "planned" work which was not attributable to the outage.

Staff used the same Company-provided lay-out sheets for its own analysis. See, e.g., Appendix B. On each of the 509 layout sheets, the work performed fell into multiple work categories (e.g., cable, shunts, feeders and insulation repairs), resulting in more than 1500 categories of items completed in the LIC network's secondary system and for which the Company had to show a prudent investment.

⁶ The Company spent a total of \$63.4 million as of December 2007, which included not only disallowable outage-related costs, but also upgrades to LIC network plant and pending facilities work that would have been completed in the coming years, but which was more cost-effectively completed while the Company was already working underground or in other areas repairing the July 2006 damage.

It was incumbent upon Staff engineers to analyze the Company's equipment and installation cost information to determine whether the expenses the Company associated with the LIC network event were accurate.

Given the enormity of the construction performed and the capital repairs, Staff conducted a detailed review of 10% (49) of the 509 lay-outs and focused on work associated with the secondary system (cable & conduit). To best reflect all of the work performed, Staff pulled its 10% sampling from lay-out sheets that contained components that were representative of all jobs present in the 509 layouts. Using this 10% sampling of the Company's lay-outs, Staff compiled its best estimate of the actual costs of system damage associated with the LIC outages.⁷

The Company identified \$46.7 million of the \$63.4 million in LIC work as Type 2 or Type 3 "reinforcement" or "planned" work and described none of this as outage-related. Staff used its analysis of the Company lay-outs and other materials to review the Company's claim that only \$16.7 million of the LIC costs were outage-related and therefore subject to a prudence adjustment. Initially, Staff noted that the Company's Type 2 work included about 73 of the over 1500 categorized items in the 509 lay-outs. The Company offered no evidence or justification as to why any or all of the Type 2 work should not be shifted over to the outage-related recovery, restoration and repair category. In fact, the Company stated that Type 2 work may or may not have been caused by events occurring in the Long Island City network between July 17 and July 25, 2006. Staff determined that all of the Type 2 work and, therefore, its associated expenditures (about \$1 million), should be included in Staff's outage-related work category.

A substantial effort was made by Staff to evaluate the Company's decision to characterize all of the Type 3 work as non-outage related. Staff focused on the Company-identified Type 3 work because (1) it was the largest body of work; (2) the

⁷ See Matter of Long Island Lighting Company v. Cuomo, 134 A.D. 2d 135, 145 (3rd Dept. 1987) [DPS Staff's "innovative" approach to quantifying Company's alleged imprudence upheld because such quantification was exceedingly difficult and the project complex].

work required subjective, expert engineering analysis to discern its relationship to the outages; and (3) the Company had not attributed any Type 3 work to the LIC event. Staff's approach is reasonable because (1) Staff's review included all types of work performed by the Company on each of the 49 lay-out sheets Staff analyzed; and (2) by focusing on the secondary system components, which were the most affected by the Company's failure to shut down the LIC network at or before the 10th contingency, Staff used the most inclusive approach to identifying LIC recovery, repair, and replacement costs.

Engineering Cost Analysis

As noted above, Staff began its cost analysis by ascertaining that the \$16.7 million that the Company attributed to recovery, repair and replacement of damaged equipment should be included as part of Con Edison's restoration and repair efforts. See Appendix A. Accepting Con Edison's estimate that this \$16.7 million was attributable to the LIC network outages, Staff then focused on costs over and above that \$16.7 million. Staff's focus, therefore, was on identifying the portion of the remaining \$46.7 million in LIC capital investments that, while the Company had left them out of its recovery and repair costs, should be included in these costs and, therefore, disallowed through a prudence adjustment.

For each piece of work on each of the 49 layouts, Staff referenced Company work summaries, inspection data, shunt lists, and cable sheets. Staff then developed a log to identify whether the work completed could be confirmed in any of the referenced files, particularly the Company's inspection sheets. Staff considered work to be fully validated when both a problem and its specific solution were identified in any of the supporting Company documents. Staff considered work invalid in which either (1) the problem to be resolved or (2) documents supporting how the problem would be solved were not present.

Staff determined that the Company offered insufficient back-up justification for the Company's position that all of the work categorized as Type 3 was separate

from and unrelated to the LIC event.⁸ Based upon the data which Staff reviewed from the sample of lay-out sheets, Staff concluded, as described below, that as much as 66 percent of the work Con Edison identified as Type 3 and, therefore, non-outage related, lacked sufficient supporting documentation to justify this classification.

Staff's Conclusions

Because the category placement of each facility element of the LIC work was based, in large part, upon professional opinion, and because the Company's documentation and analysis were largely insufficient to definitively assign each among the categories of outage-related and non-outage related work, Staff drew its own conclusions from the data it had before it.⁹ Staff estimated that if all of the Type 3 work for which the Company's Type 3 classification could not be confirmed, was reclassified as outage-related, the estimated rate disallowance would be increased by an amount equal to 66% of the work the Company's placed in its Type 3 category. In this case, and after also adding in the approximately \$1 million in costs from the Type 2 category, Staff would conclude that Con Edison's estimated total expenditures of \$16.7 for outage-related work would increase to approximately \$48 million. This \$48 million estimate, however, would almost certainly overstate the final amount for a disallowance in a fully litigated case. Through further documentation and analysis, the Company would likely bolster its case to establish that at least some of the work which could not be definitively characterized and which, for current purposes, may be considered outage-related should be considered to be non-outage-related. Indeed, Staff recognizes that the Company had already

⁸ Invalid work included instances in which: (1) the quantity of cable installed, cable removed, structure installed, and conduit installed differed among the referenced files; (2) the Company did not identify the problem to be solved by the work or did not justify its reasoning to warrant the work completed; and (3) Staff found no record of work completed in the inspection, shunt, and cable sheets.

⁹ See LILCO v. Cuomo, 135 A.D. 2d at 142 [Staff's cost-estimate of imprudent conduct, which was an approximation based upon industry averages and "a number of other factors" upheld as rational].

provided enough documentation to show that some of the Type 3 work was non-outage-related and, therefore, would be fully recoverable.

Under these circumstances and given the information and analysis available to it, it is Staff's expert opinion that the \$40 million disallowance provided in the Joint Proposal reasonably represents the Con Edison expenditures attributable to the LIC event and is a 100% recovery for ratepayers of the appropriate disallowance.

Carrying Charge Disallowance

The capital costs for the restoration of service due to the LIC network outages and the augmentation of the LIC network triggered a unique rate-setting feature of the Company's electric rate plan in Case 04-E-0572.¹⁰ Pursuant to the Commission Order, the Company was authorized to defer, for future recovery from customers, carrying charges on actual net transmission and distribution (T&D) plant in service that are in excess of the level allowed in rates. Since the balance of Con Edison's actual net plant in service was in excess of the level provided for in rates at the time of the LIC event, the Company accrued carrying charges on the LIC capital and retirement costs. The deferral of all accrued carrying charges continues through March 31, 2008, after which new rates became effective and the T&D capital true-up mechanism is terminated.

Carrying charges are accrued on a monthly basis based on the incremental net plant balance. As such, the deferred carrying charges are a function of both the dollar amount of the incremental investments and the timing of the investments. The \$40 million dollar write-down of plant as required by the Joint Proposal is generic in nature. That is, the parties did not identify the specific data for each capital investment therein to be written off. As a result, the precise timing of each

¹⁰ Case 04-E-0572 -- Proceeding on Motion of the Commission as to the Rates, Charges, Rule and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service, Order Regarding Rates, Charges, Rules and Regulations for Electric Service (issued October 31, 2005).

investment disallowed cannot be specifically determined and the carrying charges related to the \$40 million disallowance have to be estimated.

Con Edison accrued a total of \$9.7 million of carry charges on all of its LIC investments and retirements for the period July 2006 – December 2007. Staff estimates that the deferred carrying charges will total \$12 million through March 2008, 20 months after the LIC event. Staff believes that \$6 million is a reasonable approximation of carrying costs associated with the to be disallowed portions of the LIC- related investments.

QUEENS COMMUNITY FUND

Representatives of the Queens neighborhoods affected by the July 2006 outages, the ad hoc group WQFPF, were active parties to the prudence proceeding and, in particular, the settlement negotiations leading up to the Joint Proposal. As noted above, and except for limited food spoilage credits allowed under the Con Edison tariff, the Public Service Law, and in particular a prudence proceeding under the PSL, does not provide for direct compensation or a compensatory remedy to the customers, residents, businesses and communities that were directly harmed by the July 2006 outages. Rather, the outcome in a prudence case is limited to a rate disallowance, which is divided among all of a utility's ratepayers and which, as also stated above, corresponds only to the amount or expense incurred by the utility as a result of its imprudent activity. The \$17 million community fund in this Joint Proposal is, therefore, unprecedented in that it provides customers and the community a monetary benefit beyond any provided for under state prudence law.

Customer Credits

Approximately one-half of the \$17 million community fund will be used to provide credits to affected customers. The one-time bill credit, \$100 to residential customers, \$200 to small businesses and \$350 to larger commercial businesses, are in addition to Con Edison's tariff-approved spoilage claims. The credits are in addition to the traditional prudence rate disallowance and they will be paid by Con

Edison shareholders, not other customers. In addition, to maximize the number of affected customers who benefit from the credits, the Joint Proposal provides a procedure by which customers who have since moved out of the affected outage areas may also receive the credits. To implement this process, the DPS Office of Consumer Services and Con Edison will coordinate a simplified review process for customers seeking to show they lived in the areas affected by the July 2006 outages and that they are, therefore, entitled to the additional credits.

The Joint Proposal further provides that Con Edison will include with the credits a written apology expressing its regret for the Company's performance during the July 2006 LIC network outages. Staff recognizes that the customer credits and the Company's statement do not and can not compensate the recipients for the personal and financial consequences resulting from the 2006 outages. However, they are not intended to do so. The parties nonetheless see them as an unambiguous and valuable expression of the Company's regret for the hardships the community experienced during and shortly after the July 2006 LIC network outages.

Study on the Effects of the Outages

A comprehensive study has never been conducted detailing the economic effects that outages have on individual customers. While anecdotal accounts of increased health costs and food spoilage costs (beyond that which Con Edison's tariff allows) exist, the details of these losses have never been recorded nor their costs calculated. Therefore, the community representatives sought, from the beginning of this process, an independent study by a reputable third-party, to better account for the losses and other costs that electric outages impose on customers. The Joint Proposal provides that a third-party researcher will be chosen by the Signatory Parties in the coming months. If the process agreed to in the Joint Proposal for choosing the entity is unsuccessful, DPS Staff, with the community representative input, will choose the party to conduct the study.

Greening Projects

After the customer credits and the cost of the study are paid out of the community fund, the remaining dollars (approximately one-half of the \$17 million) will be used for tree-planting in Queens and other greening projects in that community. The Signatory Parties agreed that greening projects will add what WQPFP described as “lost value” to the affected community due to the outages and will provide a tangible, lasting, community benefit.

While also creating visual improvements to neighborhood streets in Queens, the extensive tree-planting agreed to in the Joint Proposal will add energy efficiency and urban cooling improvements. NYSERDA, the United States Environmental Protection Agency and numerous other entities have studied the energy benefits of trees in urban landscapes.

Specifically, “urban heat islands,” are created as concrete and pavement replace natural land cover.¹¹ Heat islands can amplify extreme hot weather events and can increase energy demand for air conditioning.¹² Indeed, shaded asphalt may be 9 to 36 degrees cooler than unshaded surfaces.¹³ A recent NYSERDA study found that curbside trees may be the most effective strategy for cooling urban areas.¹⁴ It is anticipated by that, virtue of the Joint Proposal, up to 4,000 trees will be planted on neighborhood streets in Queens.

With the assistance of other parties, WQPFP will invite tree-planting groups to submit proposals for the tree-planting portion of the community fund. The process of choosing the tree-planting organization will take place in the coming weeks among all of the Signatory Parties. WQPFP and other Signatory Parties to

¹¹ See <http://www.epa.gov/heatisland/resources/gaq.html>

¹² “Cooling Summertime Temperatures,” Strategies to reduce Urban heat Islands, Environmental Protection Agency Publication Number 430-F-03-014, September 2003.

¹³ <http://www.epa.gov/heatisland/resources/gaq.html>

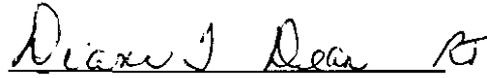
¹⁴ “Mitigating New York City’s Heat Island With Urban Forestry, Living Roofs and Light Surfaces,” New York City Regional Heat Island Initiative, Final Report 06-06, New York State Energy research and Development Authority, October 2006 at S-7.

the Joint Proposal will also review other possible greening projects. It is anticipated that local environmental groups will offer proposals which would enhance energy-efficiency efforts in the community of Queens. However, in the event no other greening projects appear viable, all of the funds for greening projects will be used for tree-planting, given its proven environmental and energy-efficiency benefits.

CONCLUSION

For the reasons stated above, Department of Public Service Staff joins the other Signatory Parties to the April 24 Joint Proposal in seeking the Commission's full adoption of its terms.

Respectfully Submitted,



Diane T. Dean
Assistant Counsel



Guy R. Mazza
Assistant Counsel

Dated: May 9, 2008
Albany, New York

APPENDIX A

Appendix A

Long Island City, Queens, Outage
Summary of Expenditures
Through September 30, 2007
(\$ Millions)

	Year End 2006			Year to Date Sept. - 2007					Total to Date 2007				
	Total Dollars	Response / Restoration	Reinforcement/ Improvements		Total Dollars	Response / Restoration	Reinforcement/ Improvements	2007 Planned Work		Total Dollars	Response / Restoration	Reinforcement	2007 Planned Work
Operations & Maintenance (O&M)	38.0	35.0	3.0	Operations & Maintenance (O&M)	5.7	1.8	0.0	3.9	Operations & Maintenance (O&M)	43.7	36.8	3.0	3.9
Claims	9.4	9.4	0.0	Claims	0.1	0.1	0.0	0.0	Claims	9.5	9.5	0.0	0.0
Revenue Adjustment	9.0	9.0	0.0	Revenue Adjustment	0.0	0.0	0.0	0.0	Revenue Adjustment	9.0	9.0	0.0	0.0
Total Expense	\$ 56.4	\$ 53.4	\$ 3.0	Total Expense	\$ 5.8	\$ 1.9	\$ -	\$ 3.9	Total Expense	\$ 62.2	\$ 55.3	\$ 3.0	\$ 3.9
Capital	35.0	12.1	22.9	Capital	18.3	0.1	4.3	13.9	Capital	53.3	12.2	27.2	13.9
Retirement	7.7	3.9	3.8	Retirement	2.4	0.6	0.5	1.3	*Retirement	10.1	4.5	4.3	1.3
Total Capital & Retirement	\$ 42.7	\$ 16.0	\$ 26.7	Total Capital & Retirement	\$ 20.7	\$ 0.7	\$ 4.8	\$ 15.2	Total Capital & Retirement	\$ 63.4	\$ 16.7	\$ 31.5	\$ 15.2
Grand Total	99.1	69.4	29.7	Grand Total	26.5	2.6	4.8	19.1	Grand Total	125.6	72.0	34.5	19.1
Less Revenue Adjustment	(9.0)	(9.0)	0.0	Less Revenue Adjustment	0.0	0.0	0.0	0.0	Less Revenue Adjustment	(9.0)	(9.0)	0.0	0.0
Less Depreciation on Plant	0.0	0.0	0.0	Less Depreciation on Plant	(1.0)	0.0	(1.0)	0.0	Less Depreciation on Plant	(1.0)	0.0	(1.0)	0.0
Total (Less Revenue Adjustment & Depreciation)	\$ 90.1	\$ 60.4	\$ 29.7	Total (Less Revenue Adjustment & Depreciation)	\$ 25.5	\$ 2.6	\$ 3.8	\$ 19.1	Total (Less Revenue Adjustment & Depreciation)	\$ 115.6	\$ 63.0	\$ 33.5	\$ 19.1

APPENDIX B

