

BEFORE THE  
STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

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In the Matter of  
Consolidated Edison Company of New York, Inc.  
Case Case 08-E-0539  
September 2008

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Prepared Exhibit of:

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**RECOMMENDATIONS OF VANTAGE CONSULTING, INC.\***

**INDEPENDENT AUDIT OF CONSOLIDATED EDISON COMPANY ELECTRIC  
EMERGENCY OUTAGE RESPONSE PROGRAM, DATED OCTOBER 24, 2007.**

**III. EMERGENCY RESPONSE, POLICY AND ORGANIZATION**

- III -R1*** **Highlight the role of senior management in communicating and implementing vision and priority for the Company's approach to reliability and emergency management.** (Refer to Finding III-F1 & F2.)
- III -R2*** **Define and communicate policies regarding the importance of emergency management that are proportionate to the unique circumstances surrounding Con Edison's service territory and the sea change in expectations that has transpired in recent years.** (Refer to Finding III-F4.)
- III -R3*** **Develop and implement a coordinated strategy and Master Plan for reliability and outage management.** (Refer to Finding III-F3 & 4.)
- III -R4*** **Emphasize the holistic nature of reliability and outage management and communicate that notion to employees as part of the Integrated Plan.** (Refer to Finding III-F6.)
- III -R5*** **Include specific measures for maintaining preparedness and the priority of emergency management including appropriate policies, oversight and controls in the revised Plan.** (Refer to Finding III-F8.)
- III -R6*** **Integrate the implementation of recommendations through the new coordinated strategy.** (Refer to Finding II-F3, 4 & 5.)
- III -R7*** **Restructure the key organizational functions in support of the Plan and in accordance with sound design principles.** (Refer to Finding III-F8.)
- III -R8*** **Consider the creation of a central, core group of emergency management professionals with the management of that group responsible for technical excellence in the field of emergency planning and management as well as technical direction and professional development of the EM personnel.** (Refer to Finding III-F16.)
- III -R9*** **Consider, in designing a new organizational structure, a hybrid approach that assigns EM professionals to operating organizations on a matrixed basis as a means to achieve the technical benefits of a centralized group while maintaining Con Edison's culture of accountability to the operating organizations.** (Refer to Finding III-F16 & F17.)

\*Bolded Recommendations have been implemented.

- III -R10 Consider, locating the EO EM group, or its successor, to the group reporting to an organization that spans all of EO, such as the VP-Engineering and Planning. (Refer to Finding III-F9.)**
- III -R11 Responsibility for management of Con Edison's overall emergency programs should be clearly assigned, and the responsible entity should be charged with the various program management functions now contained in CI 260-4. (Refer to Finding III-F9.)**
- III -R12 A corporate oversight function for emergency management should be added that is charged with ensuring that all organizations are aligned with corporate priorities and principles. (Refer to Finding III-F9.)**
- III -R13 Ensure that the recommended organizations restructuring acts firms up roles and relationships, minimizes gray areas, and resolve procedural inconsistencies.**
- III -R14 Ensure assignment of all elements of the Master Plan and the allocation of corresponding resources to those elements in order to prevent inappropriate domination by local preferences, "program of the month," or other transient priorities. (Refer to Finding III-F8 and F13.)**
- III -R15 Redefine the role of Distribution Engineering in emergency preparedness and response to make it consistent with ICS principles and Con Edison's current and future needs. (Refer to Finding III-F14.)**
- III -R16 Add resources to the Corporate EM group, or its successor in any new structure, so that the resources align with its substantial and broad responsibilities. (Refer to Finding III-F11.)**
- III -R17 Defer the pending expansion of the EO EM group until a new organizational structure is defined and staffing for EO EM, or its successor, is evaluated within the context of that new structure and the new Master Plan. (Refer to Finding III-F12.)**
- III -R18 Develop a sound staffing plan and supporting commitment, as part of the new recommended strategy development, to ensure staffing is adequate and justified and that management commitments do not ebb and flow as they have in the past. (Refer to Finding III-F10 and F11.)**
- III -R19 Revisit the question of resource typing after the issuance of new FEMA software. (Refer to Finding III-F20.)**

**\*Bolded Recommendations have been implemented.**

- III -R20** **The refinement of ICS accountabilities should be a subject of continuous improvement with particular focus on those positions for which descriptions are complex and for different positions that contain similar concepts or overworked phrases (such as ‘information,’ ‘communication,’ ‘prioritization of work,’ etc.). (Refer to Finding III-F26.)**
- III -R21** **Redefine the purpose and expectations for IAPs for the benefit of emergency managers, and Incident Management Assistance Teams (IMATs) should assist in ensuring a reasonably consistent application. (Refer to Finding III-F26.)**
- III -R22** **The IMATs should assume a full role in drills to act as an in-process helper to the IC and other managers and should also take an aggressive facilitation role (consistent with IC needs and expectations) in emergencies. (Refer to Finding III-F28.)**

#### **IV. COMPREHENSIVE EMERGENCY RESPONSE PLAN (CERP)**

- IV -R23** **Clarify the role and purpose of the CERP, for internal management purposes, with the objective of replacing or repairing the document where it does not effectively serve the needs of the organization. (Refer to Finding IV-F3.)**
- IV -R24** **Standardize distribution of the CERP and provide a clear explanation for any changes that take place. Further, where changes are significant, employees should receive a briefing to ensure full awareness. Also, at the time of distribution, managers should be reminded of their responsibilities concerning the use of the document. (Refer to Finding IV F4 & F5.)**
- IV -R25** **Assist Con Edison managers and improve their effectiveness under emergency conditions by creating a more useable structure for important documents and providing managers with easy-to-use guides for accessing those documents. (Refer to Finding IV -F6.)**
- IV -R26** **Improve the presentation of the CERP material so that it can be easier to read and thus of greater use to managers. (Refer to Finding IV-F7.)**
- IV -R27** **Redefine which managers should have responsibility for approving emergency planning documents and then hold them responsible for meeting that commitment. (Refer to Finding IV-F8.)**
- IV -R28** **Define expectations for the use of checklists and implement improvements where the quality of the checklists limits their use. (Refer to Finding IV-F9.)**

**\*Bolded Recommendations have been implemented.**

*IV-R29* Establish a clearly defined and structured set of criteria and assumptions that establish the bases for the Plan, define the environment in which the Plan must operate, and set a foundation and framework around which to build the Plan. (Refer to Finding IV-F20.)

*IV-R30* Construct an improved framework and process for the development, documentation, and management of planning thresholds that: includes a matrix, for the benefit of managers and emergency planners; that summarizes all of Con Edison's emergency classifications as well as the actions they trigger; provides for a possible simplification recognizing that ease of use will lessen confusion and improve uniform application; and requires analysis and testing of planning thresholds periodically. (Refer to Finding IV-F22.).

*IV-R31* Elevate the priority of resource planning within the emergency planning framework. (Refer to Finding IV-24, 25 & 26).

## V. EMERGENCY RESPONSE PERFORMANCE

*V-R32* Document the lessons learned process (after action reviews) from drills to achieve the payback from drills that should be realized. (Refer to Finding V-F4.)

*V-R33* Revamp the drill program in line with the proposed new strategy and organization. (Refer to Finding V-F5 & F6.)

*V-R34* Prepare and communicate an integrated annual drill schedule and plan including information on each planned drill, before the start of the year. (Refer to Finding V-F7.)

*V-R35* Include external parties (municipals, customers, press, elected officials) in major drills. To the extent direct participation might be unwieldy or ineffective, simulated participation might be appropriate. (Refer to Finding V-F8.)

*V-R36* **Research the cause of incomplete job packages and trouble assessments originating in the Engineering and Planning Area which are then forwarded to the Operations Section for assignment.** (Refer to Finding V-F12.)

*V-R37* **Develop ECS/STAR training modules for ICS designees and those in supporting roles.** (Refer to Finding V-F16.)

*V-R38* Review succession planning process for key field positions and implement plans to increase the number of qualified employees in the Line Constructor and Underground Worker series. (Refer to Finding V-F27.)

**\*Bolded Recommendations have been implemented.**

- V-R39* Evaluate the impact of high levels of overtime on the workforce as it relates to callout response rates. (Refer to Finding V-F28.)
- V-R40* Consider negotiating a new clause in future Labor Agreements that establishes a minimum callout response rate for certain job classifications. (Refer to Finding V-F29.)
- V-R41* Review the succession planning process for Engineering Designers and Technicians and implement plans to increase the number of qualified employees. (Refer to Finding V-F30.)
- V-R42* Review the current voltage reduction program of load reduction to ensure its effectiveness when applied for an extended period. They should also ensure that the level of voltage reduction will not result in damage to customer's motors and other voltage sensitive loads. (Refer to Finding V-F35, 36 & 37.)
- V-R43* **Develop and implement changes to PVL and WOLF that lead to improved results and greater confidence.** (Refer to Finding V-40, 41, 42 & 43.)
- V-R44* Improve the primary sensors, transmitters and signal transfer technologies to increase the integrity of the RMS data. (Refer to Finding V-F44.)
- V-R45* Complete the assessment of the Deep Thunder micro-weather modeling system and integrate it with either the STAR system or another emergency response program. (Refer to Finding V-F46.)
- V-R46* **Reconsider the guidelines regarding network shutdown in EO-4095, and make the decision process more defined and less subjective.** (Refer to Finding V-48-53.)
- V-R47* **Place a higher priority on replacement of failed or nonfunctioning network systems components including transformers, network protectors, and RMS transmitters immediately prior to and during the summer months.** (Refer to Finding V-F52.)
- V-R48* **Consider secondary feeds to high profile customers such as the MTA and Long Island Rail Road when reconfiguring or modifying future networks.** (Refer to Finding V-F52.)
- V-R49* Continue development of G3 research on future networks and integrate with long-term Strategic Plan as identified in Recommendation II-R3. (Refer to Finding V-F53.)

**\*Bolded Recommendations have been implemented.**

- V-R50*** Continue feeder testing with Hi Pot methods as currently practiced until such time as Con Edison completes its evaluation and refinement of the program for VLF testing and determines whether/how to implement same. Continuation of exploration of other non-destructive technologies suitable for the network environment should continue. (Refer to Finding V-F56.)
- V-R51*** Enhance the program for maintenance scheduling prior to and during the summer peak periods to ensure that all possible work is completed during any scheduled feeder shutdown. (Refer to Finding V-F57-58.)

## **VI. COMMUNICATION**

- VI-R52*** Increase emphasis on the need for customers to report outages to Con Edison. (Refer to Finding VI-F4.)
- VI-R53*** Con Edison should test the new capabilities of the Call Centers under a major outage scenario. (Refer to Finding VI-F3.)
- VI-R54*** Develop a methodology based on previous outage experiences to provide customers a global ETR on a more timely basis than the current commitment. (Refer to Finding VI-F6.)
- VI-R55*** Determine if the commitment in the CERP to generate a global ETR in 12 hours is reasonable for all events and if not revise the plan accordingly. (Refer to Finding VI-F6.)
- VI-R56*** Continue to expand the information and communication provided through the Con Edison web site. (Refer to Finding VI-F8.)

## **VII. RELIABILITY**

- VII-R57*** Undertake a study using outside resources to determine the actual health status of the forest in Con Edison's service territory. (Refer to Finding VII-F7.)
- VII-R58*** Evaluate the effectiveness of the current tree trimming and clearing program relative to other reliability measures associated with vegetation management. (Refer to Finding VII-F5, F46, & F6.)
- VII-R59*** Evaluate long-term commitment by Con Edison to both Capital and O&M expenditures by category as part of the ongoing rate case and other investigations. (Refer to Finding VII-F13-17.)

**\*Bolded Recommendations have been implemented.**

***VII -R60*** Develop a comprehensive set of performance indicators that, when tracked, will permit Con Edison, DPS and other stakeholders to understand performance of all relevant measures associated with reliability, emergency response management and customer satisfaction against both targets and over time. (Refer to Finding VII-F18 & 19.)

## **VIII. BEST PRACTICES**

***VII -R61*** Expand participation by Con Edison in utility sponsored, industry-wide emergency preparedness and major outage event benchmarking programs. (Refer to Finding VIII-F2)

***VII -R62*** Consider, through the DPS Staff, implementation of a collaborative program including all of the electric, gas and telecommunications utilities within its jurisdiction to develop best practice emergency preparedness and major outage restoration programs. (Refer to Finding VIII-F6)