

STATE OF NEW YORK

Public Service Commission

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NATURAL GAS UTILITIES MEET SAFETY GOALS

— Companies Continue to Improve Safety Performance—

Albany, NY—06/14/12—Staff of the Department of Public Service (staff) today presented its 2011 *Gas Safety Performance Measures Report* to the New York State Public Service Commission (Commission) examining the natural gas local distribution companies' (LDCs) performance in three areas pertaining to safety — damage prevention, emergency response, and leak management. In addition, staff made recommendations where performance improvements are needed.

“Based on today’s report by staff, all LDCs have demonstrated sustained improvement over the past several years,” said Commission Chairman Garry Brown. “These companies — which supply natural gas to millions of homes and businesses across New York State — should be recognized for ensuring necessary safeguards are in place to protect customers. I encourage staff and the LDCs to continue their collaborative efforts to identify areas that are critical to gas safety.”

The first measure, damage prevention, examined in the staff report gauges the ability of LDCs to minimize damages to buried facilities caused by excavation activities. Staff’s examination in the area of damage prevention, finds that the rate of total damages statewide improved 7.1 percent from 2010 performance, and 67 percent since 2003, the first year of performance measures reporting.

Staff attributes these positive results in reducing damage to underground facilities in part, to public education efforts undertaken by both the LDCs and the One-Call Centers — accessible to contractors, excavators or homeowners by dialing 811 prior to doing any excavation or digging.

The second measure, emergency response, analyzed in the staff report gauges the ability of LDCs to respond promptly to reports of gas leaks or emergencies by examining the percentage of calls that fall within various response times. There are three specific response goals: respond to 75 percent of emergency calls within 30 minutes; 90 percent within 45 minutes; and 95 percent within 60 minutes. General improvement has occurred over the past nine years, and statewide performance during 2011 marked the best performance level since data has been collected, and four years in a row that all eleven LDCs met the three response targets.

The third measure addressed in the staff report, leak management, examines LDC performance to effectively maintain leak inventories and keep potentially hazardous leaks to a minimum. This measure looks at the year-end backlog of leaks requiring repair. The statewide year-end 2011 backlog was 22 percent less than year-end 2010. Compared to 2003, the first year of performance measures reporting, it is 87 percent less.

Incentive programs to reduce safety risks by replacing deteriorating and leak-prone infrastructure and/or reducing leak backlogs have been incorporated into past and current rate agreements for LDCs. Across the state, LDCs are collectively working to update the gas distribution infrastructure. In 2012, LDCs plan to replace more than 310 miles of leak-prone pipe in New York State. This effort will improve public safety, and over time, will help reduce the leakage rates LDCs experience.

Staff will continue to work with the LDCs to ensure that their enhanced natural gas outreach and education programs are implemented as soon as possible in order to increase the availability and variety of gas safety information available to New Yorkers.

Staff's report concerning gas distribution safety by LDCs during 2011, when available, may be obtained by going to the Documents section of the Commission's Web site at www.dps.ny.gov

and entering Case Number 12-G-0222 in the input box labeled “Search for Case/Matter Number.” Many libraries offer free Internet access. The reports may also be obtained from the Files Office, 14th floor, Three Empire State Plaza, Albany, New York 12223 (518-474-2500).