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## **PSC Receives Reports on Electric Reliability, Customer Service, Gas and Electric Safety of the State's Large Public Utilities**

### **Con Edison, NYSEG Revenues Cut \$12 Million Due to Poor Performance**

#### **Revenues Cut \$3.2 Million for NYSEG, RG&E for Failing to Reach Meter Read Targets**

**ALBANY** — The New York State Public Service Commission (Commission) reviewed the State's major utilities in terms of their performance in a number of key areas in 2020, including electric reliability service, gas safety, electric safety, and customer service. As part of the review, the Commission reduced the revenue of two of the State's largest utilities — Consolidated Edison Company of New York, Inc. (Con Edison) and New York State Electric & Gas Corporation (NYSEG) — for failing to meet reliability targets.

"While most utilities are doing a good job providing safe and reliable service, four utilities have fallen short of our expectations in certain areas and we will continue to act aggressively to ensure utilities improve performance," **said Commission Chair John B. Howard.** "Further, as a result of this analysis, it is clear that utilities must be ready to address more frequent and powerful storms."

**Electric Reliability:** Department staff presented its annual review of the electric service reliability performance of the New York State electric utilities for 2020. The Commission relies on two primary metrics to measure performance: the System Average Interruption Frequency Index (SAIFI or frequency) and the Customer Average Interruption Duration Index (CAIDI or duration).

By compiling interruption data provided by the individual utilities, the average frequency and duration of interruptions can be reviewed to assess the overall reliability of electric service statewide. Recent data for the prior year is also compared with historic performances to identify positive or negative trends.

Excluding major storms, the statewide interruption frequency for 2020 improved slightly compared to last year and the statewide five-year average. The statewide interruption duration, excluding major storms, was better than last year's index of 2.05 hours, resulting in restoration occurring, on average, approximately three and a half minutes faster. Including major storms, 2020 had the worst performance for frequency, duration, and customer hours of interruption over the past five years.

The most significant event influencing reliability performance, including major storms, was Tropical Storm Isaias (TS Isaias), which occurred beginning on August 4. Nearly 1.5 million customers experienced power outages during this event. Con Edison's and PSEG-LI's service territories were the hardest hit with over one million customers interrupted. By August 9, 90 percent of customers that had lost power were restored, with full restoration occurring on August 14.

Under Commission rules, companies are subjected to negative revenue adjustments for failing to meet their reliability targets. As a result, Con Edison incurred a negative revenue adjustment of \$5 million due to exceeding its network frequency target, which excludes major storms. NYSEG incurred a negative revenue adjustment of \$7 million also due to exceeding its frequency target excluding major storm. Negative revenue adjustments are paid by shareholders and not by rate payers. All other electric utilities met their reliability targets in 2020. Utility performance before, during and after TS Isaias is the focus of several separate, ongoing proceedings, including [20-E-0586](#).

**Electric Safety:** The Commission established electric safety standards to safeguard the public from exposure to stray voltage and to identify and eliminate potentially harmful conditions before serious safety hazards and/or reliability deficiencies develop. The standards include, among other requirements, stray voltage testing of streetlights and electric facilities that are accessible to the public. In 2020, manual stray voltage testing was performed on approximately one million utility facilities statewide, resulting in the identification of 291 stray voltage conditions. The overall total of stray voltage findings decreased by 42 percent from the 2019 level. In 2020, there were 110 calls from customers reporting shock incidents that resulted in 91 confirmed cases of stray voltage; 33 incidents were caused by problems with utility owned facilities, and 58 incidents were traced to defective customer-owned equipment or wiring. All stray voltage findings identified through testing or from customer calls were made safe. Since all of the test and inspection requirements were met, no revenue adjustments were imposed.

**Gas Safety:** Department staff evaluated critical areas of gas safety, including damage prevention, emergency response times, leak management, and non-compliances identified through staff's audit process. Overall, the data indicates that performance has substantially improved for gas companies across the State over the 18-year period these metrics have been in place. More notably, utility performance either improved or remained consistent throughout the COVID-19 pandemic. It's important to note that the utilities maintained focus on these performance measures which ensured the same, if not a greater level of public safety.

Damage prevention, mismark and no-call damages saw improved performance, and utilities and their contractor damages remained consistent in 2020. All utilities met the emergency response time targets with the total year-end leak backlog improving roughly 14.1 percent from the previous calendar year. Both the total number of leaks discovered, and leaks repaired declined substantially. During 2019, staff identified non-compliances in all 11 of the major utilities' operating service territories, although improvements have been realized in each of the previous five calendar years. As utilities continue their outreach efforts, adopt better practices in responding to leak, odor, and emergency reports, and work to replace leak-prone infrastructure, staff expects further performance improvements will occur.

**Customer Service:** Most of the State's utilities met or exceeded the standards for performance on measures of customer service established within their respective rate case proceedings, with the exception of NYSEG and Rochester Gas and Electric Corporation (RG&E). NYSEG and RG&E failed to meet their respective estimated meter reads targets. As a result, negative revenue adjustments are applicable to NYSEG and RG&E totaling \$1.4 million and \$1.8 million, respectively. Due to the impacts of COVID-19, NYSEG and RG&E have filed a petition to waive the meter reading requirements, which is pending before the Commission. Other than NYSEG and RG&E, the major

utilities met or exceeded their established annual customer service performance standards. Although certain utilities exceeded their targets on minimizing terminations and uncollectibles, which were eligible for positive revenue adjustments (PRAs), the results were driven by the moratorium on disconnects, and as such, all of the utilities' PRAs have either already been forfeited or are under review to be waived.

The reports in these proceedings, may be obtained by going to the Commission Documents section of the Commission's Web site at [www.dps.ny.gov](http://www.dps.ny.gov) and entering the following Case Numbers in the input box labeled "Search by Case Number": Electric Safety (21-E-0177); Electric Reliability Performance (21-E-0113); Gas Safety (21-G-0165); and Customer Service (21-M-0046). Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518- 474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release. For more information, you may also visit your service provider's website.