

**Before The
Pennsylvania Public Utility Commission**

Amended Reliability Benchmarks:
And Standards For the Electric:
Distribution Companies:
Request for Comments:

Docket No. M-00991220

**COMMENTS OF WELLSBORO ELECTRIC COMPANY
ON THE COMMISSION'S PROPOSED GUIDELINES AND
STANDARDS FOR PERFORMANCE RELIABILITY**

I. INTRODUCTION

Wellsboro Electric Company files these comments in response to the Pennsylvania Public Utility Commission's (Commission) Tentative Order and Request For Comments on the proposed guidelines and standards for performance reliability enunciated by the Commission in its order entered on June 27, 2003.

**II. THE PERFORMANCE STANDRDARD FOR SMALL EDCs
SHOULD CONTINUE TO BE SET USING A STANDARD
DEVIATION APPROACH**

Wellsboro Electric Company acknowledges that, in establishing new performance standards, the Commission has taken into account the special circumstances of small EDCs. Specifically, a single event can have a significant impact on reliability indices. Because of the magnitude a single outage contributes, a greater percentage of outages are classified as "major events", affecting 10% of the customer base for five minutes or longer for a company such as Wellsboro Electric Company we feel that establishing a benchmark of 135% limits performance variations to an extremely tight standard.

Wellsboro Electric respectfully suggests that for the 12-month rolling average, the Commission use 1.5 standard deviations as the standard and for the 36- month rolling average, it use 1.0 standard

deviations for the standard. This provides for tightening of the standards from current levels, Alternatively, should the Commission choose not to use a standards deviation approach for calculating performance standards, we would propose moving to a performance standard which is 45% above the benchmark for the 12-month rolling average and 15% above the benchmark foot the 3-year rolling average.

III. QUARTERLY AND ANNUAL REPORTING REQUIREMENTS, AS ENUNCIATED IN DOCKET L-00030161, SHOULD BE LIMITED TO RELIABILITY INDICES

Wellsboro Electric would like to make the Commission aware that requiring Wellsboro Electric Company to shift from annual to quarterly reporting would be extremely burdensome on Wellsboro Electric and would welcome relief from this requirement. As an alternative if the Commission feels otherwise, Wellsboro Electric would suggest that the information required in the quarterly report would also be appropriate for the annual report.

It is our belief that the information that would be required in the annual report (progress toward meeting maintenance goals, budget versus actual maintenance expenses, staffing levels, contractor hours and dollars and call-out acceptance rates) presents a real burden on Wellsboro Electric and we feel this information would be of very little value to the Commission in determining the reliability at Wellsboro Electric Company.

We also agree with the Commission that it is not necessary for small EDCs to report on the worst 5% worst performing circuits, Wellsboro Electric Company only has eight circuits total, the nature of our operations allows us to be aware of the conditions of all circuits, and can respond quickly to any problems.

Wellsboro Electric Company has installed a SCADA system to monitor our substation and circuits, to date we have three circuits under SCADA monitoring and an ongoing process to bring the balance of circuits under SCADA as system improvements are completed.

IV. IMPLEMENTATION OF AN AUTOMATED OUTAGE REPORTING SYSTEM MAY IMPACT FUTURE RELIABILITY MEASUREMENTS AND DATA ACCURACY

Wellsboro Electric Company has installed an Automated Outage Management System (OMS). Prior to the installation and implementation of the OMS System, outages at Wellsboro Electric Company was a manual process, in moving forward with the Automated OMS System, we have concerns with the impact this may have on future reliability indices, as systems such as our OMS system is installed outage reporting becomes a lot more accurate that is ever was, which could affect our reliability indices.

With the installation of the OMS system, if this causes our reliability indices to increase that is not an indication of poor performance, but only a more accurate account of outages that are occurring on our system, The installation of the OMS system is an ongoing process at Wellsboro Electric, the OMS system is coupled to an electronic engineering model, as we get across our system and verify protective devices and insert these into the model the system will only get more accurate, the other process that is ongoing that could affect the reliability indices is the field verification of electrical phasing in the field, which will make the engineering model and OMS system that much more accurate, but due to the size of Wellsboro Electric with the limited manpower and time available to commit to such projects, this will be an ongoing process that could affect reliability indices into the future.

Wellsboro Electric Company would respectfully suggest that before any actions are taken against Wellsboro Electric Company in the future due to a possible failure to meet reliability standards that are set for Wellsboro Electric Company an opportunity be extended to Wellsboro Electric Company to work with the Commission to determine the reason for the noncompliance.

The other suggestion Wellsboro Electric Company would propose is that the Commission keep open the option to recalculate the benchmarks for Wellsboro Electric Company in the future, if we

determine that the data collected by the OMS system is causing Wellsboro Electric Company to fail to meet our benchmarks based on using historical data from previous years, when the OMS system was not in use.

CONCLUSION

Wellsboro Electric Company comments the Commission on their attempt to ensure safe reliable service to the residents of the Commonwealth of Pennsylvania.

Safe and reliable electric service is very important to Wellsboro Electric Company, and we are proud of the service we provide to the customer's of Wellsboro Electric Company.

Wellsboro Electric Company has many challenge's ahead, the Wellsboro Electric System is very old and in need of major upgrades, Wellsboro Electric Company started a very aggressive replacement program in 1996, There is much more to be done on the system and hope for the full cooperation and support of the Commission as we move forward with system improvements that will only improve the reliability at Wellsboro Electric System.

Respectfully Submitted

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