Allegheny Energy

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VIA U.P.S. NEXT DAY

January 31, 2011

L-00030161

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Fourth Quarter 2010 Reliability Report of Allegheny Power

Dear Secretary Chiavetta:

Enclosed please find an original and six copies of the Fourth Quarter 2010 Reliability Report of Allegheny Power. This report is filed by U.P.S. and is deemed filed today, January 31, 2011. Copies of the Report have been served on the parties to Allegheny Power's reliability standards and benchmarks proceeding at Docket No. M-00991220F0003.

Very truly yours,

John L. Munsch
Attorney

JLM:her

cc: Darren G. Gill, Bureau of CEEP
Certificate of Service

Allegheny Power
Quarterly Report for Fourth Quarter 2010

This quarterly report is being submitted in accordance with Title 52. Public Utilities - Part I. Public Utility Commission -Subpart C. Fixed Services Utilities – Chapter 57. Electric Service Subchapter N. Electric Reliability Standards.

§ 57.195 (e) (2) The name, title, telephone number and e-mail address of the persons who have knowledge of the matters, and can respond to inquiries, shall be included.

Timothy M. Croushore
General Manager, Reliability Performance
(724) 838-6198
tcroush@alleghenypower.com

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

§ 57.195 (e) (1) A description of each major event that occurred during the preceding quarter, including the time and duration of the event, the number of customers affected, the cause of the event and any modified procedures adopted in order to avoid or minimize the impact of similar events in the future.

a. The following Major Events occurred during the quarter. Note that these events are excluded based upon the proposed service-area-wide definition.
b. Major events occurred on the following dates. A description of the event follows and the PUC approval is attached as Appendix VI if applicable.

   - There were no Major Events in the fourth quarter.

c. Allegheny Power's Restore Service Process Management Team constantly monitors the process and conducts post-event meetings in an attempt to enhance the restoration process for future events.
d. In addition to major events, Allegheny Power tracks the effects of major weather events (Restore Service or "RS" Events) that do not meet the 10% exclusion threshold but have a major effect on reliability statistics. Because Allegheny Power's Pennsylvania territory is spread across four weather zones and three non-contiguous areas, large regional storms are typically not excluded, even though they often require massive restoration efforts.

§ 57.195 (e) (2) Rolling 12-month reliability index values (SAIFI, CAIDI, SAIDI, and if available, MAIFI) for the EDC's service territory for the preceding quarter. The report shall include the data used in calculating the indices, namely the average number of customers served, the number of sustained customer interruptions, the number of customers affected, and the customer minutes of interruption. If MAIFI values are provided, the report shall also include the number of customer momentary interruptions.

a. The following table provides Pennsylvania's 12-month ending reliability statistics for the quarter. MAIFI statistics are not recorded nor readily available at Allegheny Power. As disclosed in prior filings, sufficient field equipment is not available to provide meaningful data for momentary interruptions.

Reliability Indices	Approved Settlement Benchmarks	Rolling 12-Month Standard	Rolling 3-Yr Avg. Standard	4th qtr 2010 Performance Rolling 12-month	4th qtr 2010 Performance (Rolling 3-year)
SAIFI	1.05	1.26	1.16	1.00	1.04
CAIDI	170	204	187	190	175
SAIDI	179	257	217	191	182

Data supporting indices:

Zone	Locations	Incident Devices	Interrupted Customers	Avg Cust Served	kVA	Calls	CMI	SAIDI	ASAI	CAIDI	SAIFI
Pennsylvania	10,148	14,805	715,735	713,122	7,342,179	113,567	136,121,784	191	0.999637	190.2	1.004

Discussion supporting statistics:

Analysis of Fourth Quarter 2010 Statistics:

AP is currently meeting 6 of its 6 reliability performance standards and one of the three benchmarks. As reported in the 3rd quarter results, reliability performance numbers were affected greatly by a non-excluded August 4th, 2010 storm. AP is currently within all of the 1-year and 3-year standards for all measures as expected and is also performing better than the SAIFI benchmark.

It is expected that AP's restoration effort and reliability performance programs, which includes the Pennsylvania Inspection and Maintenance Plan, will bring AP reliability performance at or better than the performance benchmarks in the near future.

§ 57.195 (e) (3) Rolling 12-month reliability index values (SAIFI, CAIDI, SAIDI, and if available, MAIFI) and other pertinent information such as customers served, number of interruptions, customer minutes interrupted, number of lockouts, and so forth, for the worst performing 5% of the circuits in the system. An explanation of how the EDC defines its worst performing circuits shall be included.

a. This report provides a listing of all Pennsylvania circuits ranking in the lowest 5% as ranked by DCII. The report is attached as Appendix I.
b. A description of the DCII is presented in Appendix V.

§ 57.195 (e) (4) Specific remedial efforts taken and planned for the worst performing 5% of the circuits as identified in paragraph (3).

a. Allegheny's current process for addressing poor performing circuits and line segments is outlined in its Reliability Improvement Program (RIP). The details of which have been previously submitted to the Commission staff. In summary, the RIP program addresses all circuits experiencing two or more lockouts as well as any other protective device experiencing multiple operations. Field personnel review outages on these circuits or line segments and corrective action is taken as necessary to address any immediate reliability concerns.
b. Remedial work for the 5% circuits is shown in Appendix II. Field personnel review these circuits routinely. After the third quarter reporting is complete, outage causes are evaluated and action plans are developed for circuits requiring more comprehensive maintenance and these plans are incorporated in next year's budgets and work plans.
c. AP has continued a circuit improvement process whereby AP's recent 100 worst performing circuits are identified, studied, and targeted for further possible improvements based on the review of outage causes. Approximately one-third of these circuits are Pennsylvania circuits. This program is being integrated into the RIP process.

§ 57.195 (e) (5) A ROLLING 12-MONTH breakdown and analysis of outage causes during the preceding quarter, including the number and percentage of service outages, THE NUMBER OF CUSTOMERS INTERRUPTED, and customer interruption minutes categorized by outage cause such as equipment failure, animal contact, tree related, and so forth. Proposed solutions to identified service problems shall be reported.

a. A summary of outage causes by customers interrupted and by customer minutes interrupted follows.
b. Note that 66% of all customer interruptions are caused by non-equipment-related causes. Also note that 78% of customers interrupted by trees are a result of trees falling from outside of the right-of-way.
c. AP's definition of tree-related outages includes those cases where trees have fallen as a result of severe weather conditions.
d. "Weather" definition includes weather-related outages involving lightning damage, severe snow/ice loading, extreme wind, flooding, etc. and does not include tree-related outages.

Outage Cause	Incidents 12 Month ending Dect 2010		Customers Interrupted 12 Month ending Dect 2010		Customers Minutes Interrupted 12 Month ending Dect 2010	
	Number	Percent	Number	Percent	Number	Percent
Animals	1,428	9.6%	39,248	5.5%	3,154,622	2.3%
Overhead Equipment Failure						
Overhead Line Equipment	1,185	8.0%	26,210	3.7%	2,332,005	1.7%
Overhead Line Material	1,678	11.3%	97,893	13.7%	10,465,593	7.7%
Overhead Wire	957	6.5%	57,134	8.0%	5,885,611	4.3%
Underground Equipment						
Underground Line Material	44	0.3%	1,552	0.2%	272,232	0.2%
Underground Line Equipment	104	0.7%	1,519	0.2%	302,785	0.2%
Underground Cable	496	3.4%	16,353	2.3%	2,693,741	2.0%
Service Equipment	15	0.1%	2,482	0.3%	49,024	0.0%
Substation Equipment	147	1.0%	37,373	5.2%	3,393,848	2.5%
Other	131	0.9%	9,793	1.4%	897,256	0.7%
Public/Customer	1,254	8.5%	81,426	11.4%	9,319,324	6.8%
Trees						
On Right of Way	981	6.6%	53,817	7.5%	14,543,676	10.7%
Off Right of Way	3,382	22.8%	154,892	21.6%	50,980,031	37.5%
Unknown	1,581	10.7%	63,009	8.8%	6,743,951	5.0%
Weather	1,422	9.6%	73,034	10.2%	25,088,085	18.4%
Total	14,805	100%	715,735	100%	136,121,784	100%

Note: Numbers may be slightly off from aggregated totals in summary section above due to rounding. Allegheny Power's Outage Management System (OMS) tracks the number of incidents recorded for a circuit. This number does not necessarily reflect the number of exact outages on a circuit. One outage may be recorded as multiple incidents on different phases or grouped to different sectionalizing devices, especially with sectionalizing large outages. It should be noted that the number of incidents on a circuit may be overstated due to the way similar incidents may not have grouped together in OMS. These do not represent 'unique' incidents.

§ 57.195 (e) (6) Quarterly and year-to-date information on progress toward meeting transmission and distribution inspection and maintenance goals/objectives (FOR FIRST, SECOND AND THIRD QUARTER REPORTS ONLY).

a. A report attached as Appendix III provides a listing of updates to the planned T&D goals for 2010.
b. AP's goals may vary slightly throughout the year as work may be modified to meet new or changing field conditions. Some work has more inherent uncertainty associated with establishing budgets and goals more than a year ahead of time.

§ 57.195 (e) (7) Quarterly and year-to-date information on budgeted versus actual transmission and distribution operation and maintenance expenditures IN TOTAL AND DETAILED BY THE EDC'S OWN FUNCTIONAL ACCOUNT CODE OR FERC ACCOUNT CODE AS AVAILABLE. (For first, second and third quarter reports only.)

§ 57.195 (e) (8) Quarterly and year-to-date information on budgeted versus actual transmission and distribution capital expenditures; IN TOTAL AND DETAILED BY THE EDC'S OWN FUNCTIONAL ACCOUNT CODE OR FERC ACCOUNT CODE AS AVAILABLE. (For first, second and third quarter reports only.)

§ 57.195 (e) (9) Dedicated staffing levels for transmission and distribution operation and maintenance at the end of the quarter, in total and by specific category (for example, linemen, technician and electrician).

Position	Count
Lead Lineman Count	87
Lineman A Count	44
Serviceman A Count	85
Serviceman Apprentice Count	12
Serviceman B Count	22
Serviceman C Count	3
SS Crew Leader Maintenance Count	14
SS Electrician A Count	42
SS Electrician B Count	3
SS Electrician C Count	2
System Transmission Crew Lead LineWorker Count	1
System Transmission Crew Lineworker A Count	4
Utilityman A Count	3
Utilityman B Count	2
Grand Count	324

§ 57.195 (e) (10) Quarterly and year-to-date information on contractor hours and dollars for transmission and distribution operation and maintenance.

a. Contract dollars include capital as well as O&M work as available from AP financial reporting system. Note that much of AP's contracted work involves firm price contracts for which no man-hours are documented. Please note that the negative amount for the 2nd quarter is a reflection of overestimating prior commitments in the first quarter for accruals and actuals coming in less than forecasted.

Quarter	Contract Dollars - Qtr	Contract Dollars - YTD
1st qtr	$ 10,535,413	$ 10,535,413
2nd qtr	$ (87,533)	$ 10,447,881
3rd qtr	$ 2,256,030	$ 12,703,911
4th qtr	$ 980,435	$ 13,684,346

§ 57.195 (e) (11) Monthly call-out acceptance rate for transmission and distribution maintenance workers PRESENTED IN TERMS OF BOTH THE PERCENTAGE OF ACCEPTED CALL-OUTS AND THE AMOUNT OF TIME IT TAKES THE EDC TO OBTAIN THE NECESSARY PERSONNEL. A BRIEF DESCRIPTION OF THE EDC'S CALL-OUT PROCEDURE SHOULD BE INCLUDED WHEN APPROPRIATE.

a. Attached as Appendix IV is a report indicating call out acceptance for the each service center in AP Pennsylvania service territory.

b. The monthly call-out acceptance rate does not include statistics for crewmembers who are assigned ready-response duties, where applicable.
c. Allegheny Power implemented its Automated Resource Call Out System (ARCOS) on June 10, 2005 to track the amount of time to obtain necessary personnel.
d. The average callout acceptance time per worker per list called was 3.7 minutes in the quarter. This number represents the elapsed time per callout list divided by the number of people that accepted. This time includes ready response, which has an elapsed time of 0 minutes. The data is only for linemen and electrician callouts. Allegheny Power has developed a method to calculate average callout acceptance time per crew from our automated system; for the quarter, the average response time per crew was 4.1 minutes.

Allegheny Power compliance with terms of July 20th, 2006 Reliability Settlement Petition Opinion and Order:

Item	Description	Compliance Status
1	Make adjustments to vegetation maintenance practices to reduce its rights-of-way clearing cycle to no longer than four (4) years.	Allegheny Power currently manages Vegetation Maintenance (VM) work to provide optimization of reliability statistics within the constraints of our existing budget. We have developed a program that considers several circuit factors when scheduling and assigning specifications for VM work. These factors include tree related CMI over the past 3 years, time since last trimmed as well as # of customers being served by any particular section of line as well as the whole circuit. This methodology, although it does not result in total vegetation management on a 4 year cycle has resulted in acceptable reliability statistics to date.
2	Make adjustments to vegetation program to include an assessment of off-right-of-way danger trees.	Off R-O-W danger trees continue to be evaluated during vegetation management cycle and removed if necessary and agreeable to tree owner.
3	Maintain 12-year pole inspection cycle for distribution and sub-transmission wood poles	A 12-year cycle inspection cycle is planned for poles. Approximately 30% of the 2010 pole inspection program was completed in late 2009. AP completed all but ~ 2% of the 2010 pole inspection program. Bad weather caused delays. Remaining poles will be completed this year.
4	Maintain 12-year facilities inspection cycle for distribution and sub-transmission wood poles	Distribution and subtransmission equipment is inspected on a 12-year cycle. Approximately 30% of the 2010 pole inspection program was completed in late 2009. AP completed all but ~ 2% of the 2010 pole inspection program. Bad weather caused delays. Remaining poles will be completed this year.
5	Inspections to include visual inspections of pole, materials and equipment contained thereon from ground line to top of pole, hammer soundings, borings, excavation and treatment of pole.	Inspections include visual inspections of poles, equipment attached to poles, hammer soundings, excavation, and borings.
6	Perform a mid-cycle visual inspection of poles and equipment such that all circuits are inspected, on average, every 6 years. Incorporate reliability performance and performance of materials and equipment into the prioritization of circuits.	Mid-cycle inspections are made on average every six years.
7	Perform a line workforce study and substation workforce study	Complete
8	Deliver study to Parties within 60 days of final entry of non-appealable Order.	Complete - delivered to Local 102 on 10/24/06; PREA on 3/7/2007
9	Discuss study with Parties within 10 days of delivery.	Met with Local 102 on 10/24/06
10	Within 60 days of entry of final non-appealable order, provide parties with copies of all reliability-related reports filed with the Commission under 52 Pa. Code 57.195 and any additional monitoring reports or compliance reports that may be required under 52 Pa. Code 57.194(h)(1).	Effective 3rd quarter 2006 report.
11	In quarterly and annual reports, include a section reporting on compliance of settlement	Effective 3rd quarter 2006 report.
12	PREA/AEC - meet semi-annually (first meeting to be held no later than 45 days of the date of the final, non-appealable order	First meeting held 9/14/06
13	PREA/AEC meeting - Discuss most recent outages with particular emphasis on those with duration > 120 minutes	Discussed at 9/22/2010 semi-annual meeting
14	PREA/AEC meeting - Identify and agree on mutual delivery points that serve critical services/customers	Discussed at 9/22/2010 semi-annual meeting
15	PREA/AEC meeting - discuss five "worst performing" Delivery Points	Discussed at 9/22/2010 semi-annual meeting

Appendix I – Worst Performing 5% Distribution Circuit Statistics

SCName	SSName	CktName	CustServed	DCII	SAIFI	SAIDI	CAIDI	ASAI	CMI	CustIntrup	CircuitLockouts	Incidents	Miles
Arnold	ALL DAM NO. 5	SCHENLEY	188	71	0.45	155	346	0.9997051	29062	84	0	12	6
Arnold	ALLERIVER	ALLERIVER	180	81	0.01	2	340	0.9999962	340	1	0	1	13
Arnold	TUNNELTON	TUNNELTON_DIST	98	10	1.72	1017	590	0.9980651	99718	169	0	17	6
Arnold	WATSON	WATSON	339	55	2.64	367	139	0.9993018	124309	893	2	25	23
Butler	BUENA VISTA	HOOKER	302	34	2.32	708	305	0.998653	213802	702	0	14	23
Butler	HARRISVILLE	HARRISVILLE	0	100	0	0	0	1	0	0	0	0	0
Butler	KARNS CITY	DAUGHERTY	99	92	0.07	9	130	0.9999829	912	7	0	4	6
Charleroi	SMITHTON	HUTCHINSON	861	86	0.5	65	130	0.9998763	56335	432	0	20	37
Charleroi	VANCEVILLE	VANCEVILLE	1337	-40	1.78	1697	953	0.9967713	2269549	2381	1	65	106
Clarion	NEW BETHLEHEM	CLIMAX	1125	64	2.21	260	118	0.9995053	293005	2490	2	33	78
Hyndman	PURCELL	ARTEMAS	539	80	0.24	67	279	0.9998725	36313	130	0	15	99
Jeannette	PENN	GASKILL AVE	2533	76	1.54	144	94	0.999726	365779	3891	2	52	39
Jeannette	SEWICKLEY	ADAMSBURG	1974	49	3.45	392	114	0.9992542	773704	6804	3	45	27
Jeannette	YOUNGWOOD	HUNKER	798	82	1.37	86	63	0.9998364	68893	1095	1	20	32
Jefferson	GREENSBORO	POLAND	154	18	1.14	790	695	0.998497	121642	175	0	7	9
Jefferson	RUTAN	BRISTORIA	1186	19	3.72	884	238	0.9983181	1048580	4409	1	117	193
Jefferson	RUTAN	WINDRIDGE	1196	-10	1.05	1061	1007	0.9979814	1268358	1260	0	61	179
Latrobe	STAHLSTOWN	KREAGER	278	43	5.19	295	57	0.9994387	81997	1442	0	22	26
Latrobe	STAHLSTOWN	MANSVILLE	500	84	0.65	82	126	0.999844	41091	326	0	16	41
McConnellsburg	CLEARVILLE	CLEARVILLE	614	88	0.1	19	195	0.9999639	11868	61	0	12	108
McConnellsburg	EMMAVILLE	STONEY BREAK	365	65	1.16	278	239	0.9994711	101620	425	0	9	46
McConnellsburg	WARFORDSBURG	BUCK VALLEY	797	91	0.1	13	135	0.9999753	10644	79	0	14	91
McDonald	HICKORY	HICKORY	930	26	1.42	764	539	0.9985464	710171	1317	1	36	72
McDonald	SMITH	FLORENCE	775	55	2.68	375	140	0.9992865	290914	2077	3	42	80
Pleasant Valley	IRON BRIDGE	ALVERTON	686	93	0.07	7	111	0.9999867	5007	45	0	10	26
Pleasant Valley	KING FARM	BELSON RUN	475	79	1.34	125	93	0.9997622	59455	636	1	17	19
St Marys	CARBON CENTER	BUCKTAIL	649	87	0.7	62	88	0.999882	40269	456	0	17	39
St Marys	DRIFTWOOD	DRIFTWOOD	967	44	4.29	393	92	0.9992523	379915	4144	3	22	64
St Marys	WEEDVILLE	BYRNEDALE	409	41	2.45	596	243	0.9988861	244121	1004	2	13	21
St Marys	WEEDVILLE	WEEDVILLE	1358	69	1.21	243	201	0.9995377	329488	1637	1	17	77
State College	FOWLER	BALD EAGLE	411	53	2.61	410	157	0.9992199	168410	1072	2	31	42
State College	NITTANY NO. 2	CLINTONDALE	700	61	3.08	234	76	0.9995548	163623	2154	3	17	30
State College	NITTANY NO. 2	NITTANY	520	58	3.26	260	80	0.9995053	135128	1696	4	28	35
State College	PORT MATILDA	PORT MATILDA	1388	43	4.42	380	86	0.999277	528172	6140	4	64	102
State College	WATERVILLE	WATERVILLE	353	-10	6.08	1157	190	0.9977987	408758	2149	4	29	20
Uniontown	EAST MILLSBORO	EAST MILLSBORO	173	-20	1.88	1441	767	0.9972584	249222	325	1	15	16
Uniontown	HENRY CLAY	MARKLEYSBURG	1069	28	3.76	721	192	0.9986282	771270	4020	2	43	63
Uniontown	SUMMIT	SUMMIT(SEATON RD.)	294	64	2.02	281	139	0.9994654	82560	594	0	20	28
Washington	AVELLA	W MIDDLETOWN	1140	24	3.67	797	217	0.9984836	908631	4188	1	72	107
Washington	LAGONDA	CLUB FORTY	903	72	0.58	171	296	0.9996747	154310	521	0	23	36
Washington	LAGONDA	LAGONDA	1391	51	2.26	460	203	0.9991248	639764	3144	1	69	73

Appendix II – Worst Performing 5% Distribution Circuit Remedial Actions

SCName	SSName	CktName	Actions Taken or Planned	Status
Arnold	ALL DAM NO. 5	SCHENLEY	Three isolated incidents accounted for 97% of the cmi on this circuit. Circuit review planned. 2009 CAIDI completed	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Arnold	ALLERIVER	ALLERIVER	Three incidents accounted for 85% of the CMI on this small circuit. Trees trimmed in 2009. Circuit review planned.2009 CAIDI Review	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Arnold	TUNNELTON	TUNNELTON_DIST	Lockouts on 4 days contributed over 90% of the CMI for the one-year period. Trees trimmed in 2009. Circuit review planned. 2009 CAIDI completed	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Arnold	WATSON	WATSON	Off right-of-way trees accounted for 3/4 of the cmi and approximately 1/2 of the cmi occurred on 1 day. Trees trimmed in 2009. 2010 CAIDI Planned	Monitor reliability. Circuit performing well outside of isolated 1 day event.
Butler	BUENA VISTA	HOOKER	Off right-of-way trees accounted for 97% of the cmi and over 70% occurred on one incident. 2009 CAIDI completed	Monitor reliability outside of off ROW tree issues.
Butler	HARRISVILLE	HARRISVILLE	One lockout due to off right-of-way tree on this small circuit of 2 customers accounted for 100% of the annual CMI. Trees trimmed in 2008. 2009 CAIDI Review	Transient protection is being added to the circuit. Monitor reliability on this small circuit.
Butler	KARNS CITY	DAUGHERTY	One incident on this circuit with 1 customer due to off right-of-way tree accounted for all of the cmi on this circuit. 2009 CAIDI Review	Monitor reliability on this small circuit.
Charleroi	SMITHTON	HUTCHINSON	Public causes (vehicle into pole and cut tree) accounted for 80% of the cmi on this circuit. 2009 CAIDI completed	Outage causes outside AP control. Monitor reliability.
Charleroi	VANCEVILLE	VANCEVILLE	Animals getting into the substation on 2 occsasions accounted for 60% of the cmi on the circuit. Tree trimming being evaluated for 2011. 2008 CAIDI completed	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Clarion	NEW BETHLEHEM	CLIMAX	Two incidents due to unknown and tree causes accounted for over 1/2 of the cmi on this circuit. Trees trimmed in 2008. Circuit review planned. 2009 CAIDI completed and 2010 CAIDI project planned.	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Hyndman	PURCELL	ARTEMAS	Two days accounted for 65% of the annual CMI on this circuit. Approximately 70% of the annual CMI was caused by off right-of-way trees. 2010 fuse coordination completed	Monitor reliability outside of off ROW tree issues.
Jeannette	PENN	OASKILL AVE	Two incidents accounted for nearly 80% of the annual CMI. Tree trimming being evaluated for 2011. 2010 CAIDI planned	Monitor reliability. Evaluate tree trimming for 2011.
Jeannette	SEWICKLEY	ADAMSBURG	Nearly 1/2 of the cmi occurred on 1 day due to weather/high wind. Tree trimming planned for 2009/2010. Circuit reconfigurstion planned for 2010. 2010 CAIDI planned	Monitor reliability after tree trimming.
Jeannette	YOUNGWOOD	HUNKER	Three incidents accounted for over 95% of the cmi on this circuit. Circuit review planned. 2009 CAIDI completed and 2010 CAIDI planned.	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Jefferson	GREENSBORO	POLAND	Over half of the annual CMI on this small circuit occurred on one day. Tree trimming being evaluated for 2011. Circuit walk-down in 2010. 2010 CAIDI planned	Monitor reliability. Review results of circuit inspection.

Appendix II – Worst Performing 5% Distribution Circuit Remedial Actions (cont'd)

SCName	SSName	CktName	Actions Taken or Planned	Status
Jefferson	RUTAN	BRISTORIA	Off right-of-way trees accounted for over 80% of the cmi on this circuit, which experienced no lockouts. Tree trimming being evaluated for 2011. Circuit reviews to be performed 2nd quarter. 2008 CAIDI Completed. Reconductoring project completed in 2009	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Plans to evaluate tree trimming for 2011.
Jefferson	RUTAN	WINDRIDGE	Over 80% of the cmi on this circuit was caused by weather and off right-of-way trees. Tree trimming being evaluated for 2011.Circuit split planned to reduce exposure. A portion of the circuit was transferred to an adjacent substation in 2009.	Monitor reliability. Evaluate tree trimming for 2011.
Latrobe	STAHLSTOWN	KREAGER	Approximately three-fourths of the annual CMI was caused by off right-of-way trees. Four incidents accounted for about 80% of the CMI. 2009 CAIDI and 2011 CAIDI review	Monitor reliability outside of off ROW tree issues.
Latrobe	STAHLSTOWN	MANSVILLE	Off right-of-way trees accounted for over 80% of the cmi for the year. Over 1/2 of the cmi occurred on just 1 day. 2009 CAIDI Review	Monitor reliability. Circuit is performing well outside of one incident-day.
McConnel lsburg	CLEARVILLE	CLEARVILLE	Nearly 70% of the cmi on this circuit resulted from off right-of-way trees and weather (ice/snow). 2009 and 2010 CAIDI completed	This circuit was reviewed in 2009 and was recommended for a full circuit coordination as well as extensive CAIDI work. This work was completed early in 2010.
McConnel lsburg	EMMAVILLE	STONEY BREAK	Off right-of-way trees accounted for 1/2 and weather accounted for 1/4 of the cmi on this circuit. 2009 CAIDI Completed	Completed 2010 Circuit Review and designed full CAIDI to be completed in 2011.
McConnel lsburg	WARFORDSBU RG	BUCK VALLEY	Off right-of-way trees accounted for over 80% of the cmi on this circuit. Nearly 1/2 of this occurred in 1 incident. The One mile of cross country line between location 24123 and 24107 has caused numerous outages. This line is inaccessible to trucks. It is also necessary for scouts to walk the right of way because the line is not visible from any road. 2008 CAIDI Completed	This circuit was coordinated and had a full CAIDI completed on it in 2007. A tie line has been designed and will be constructed in 2011 to eliminate a section of line that is difficult to scout and work on.
McDonald	HICKORY	HICKORY	Public vehicles hitting poles accounted for nearly 1/2 of the cmi on this circuit. Trees trimmed in 2008. 2009 CAIDI Completed	Monitor reliability. Circuit is performing weel outside of public causes.
McDonald	SMITH	FLORENCE	One isolated incident accounted for nearly 1/2 of the cmi on this circuit for the one-year period. Trees trimmed in 2008. 2008 CAIDI Completed and 2009 Reconducting project completed	Isolated incident. Monitor reliability.
Pleasant Valley	IRON BRIDGE	ALVERTON	One lockout accounted for over 1/2 of the cmi for the year. Trees trimmed in 2008. 2010 CAIDI Planned. Project to replace switchgear for hospital completed in 2010	Isolated incident. Monitor reliability.
Pleasant Valley	KING FARM	BELSON RUN	One isolated incident accounted for over 80% of the cmi on this circuit. 2010 CAIDI planned.	Isolated incident. Monitor reliability.
St Marys	CARBON CENTER	BUCKTAIL	One isolated incident on this circuit accounted for 90% of the cmi for the one-year period. 2009 CAIDI Completed	Isolated incident. Monitor reliability.
St Marys	DRIFTWOOD	DRIFTWOOD	A circuit lockout on 1 day accounted for over 80% of the cmi. Tree trimming being evaluated for 2011. 2009 CAIDI completed	Isolated incident. Monitor reliability.
St Marys	WEEDVILLE	BYRNEDALE	Two incidents due to weather and off right-of-way trees accounted for 93% of the cmi on this circuit.Trees trimmed in 2008. 2009 CAIDI completed	Monitor reliability. Outage causes outside AP control.
St Marys	WEEDVILLE	WEEDVILLE	Off right-of-way trees and unknown causes accounted for over 80% of the cmi on this circuit. One incident accounted for 72% of the annual cmi due to trees. Tree trimming being evaluated for 2011. 2008 CAIDI completed	Monitor reliability. Evaluate tree trimming for 2011.
State College	FOWLER	BALD EAGLE	Three incidents accounted for nearly all (97%) of the CMI on the circuit. Circuit review planned. 2008 CAIDI completed	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.

Appendix II – Worst Performing 5% Distribution Circuit Remedial Actions (cont'd)

SCName	SSName	CktName	Actions Taken or Planned	Status
State College	NITTANY NO. 2	CLINTONDALE	Almost 90% of the annual CMI occurred on one lockout due to a failed substation transformer insulator. 2009 CAIDI completed	Isolated incident. Monitor reliability.
State College	NITTANY NO. 2	NITTANY	Over 70% of the annual CMI occurred on one lockout due to a failed substation transformer insulator. 2009 CAIDI completed	Isolated incident. Monitor reliability.
State College	PORT MATILDA	PORT MATILDA	Two isolated incidents accounted for 87% of the cmi on this circuit. Circuit review planned. Tree trimming being evaluated for 2011. Circuit conductoring in 2010. 2008 CAIDI completed.	Monitor reliability. Evaluate tree trimming for 2011. Reconductoring complete.
State College	WATERVILLE	WATERVILLE	Circuit fed from foreign utility. Alternate supply options limited. Considered distributed generation as alternate feed option (costly). Isolating points and fault indicators added as part of CAIDI improvement program. Lockouts due to foreign utility feed caused 84% of the annual CMI. 2008 CAIDI completed.	CAIDI work completed in 2008. Tree trimming performed in 2009. Monitor reliability.
Uniontown	EAST MILLSBORO	EAST MILLSBORO	Two incidents accounted for 80% of the annual CMI. Circuit review planned. 010 CAIDI planned. Project completed to install automatic airswitches on the subtransmission feeding East Millsboro SS in 2009.	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Uniontown	HENRY CLAY	MARKLEYSBURG	Two incidents involving public vehicles hitting poles accounted for 43% of the annual CMI. Off right of way trees accounted for another 25% CMI. Tree trimming being evaluated for 2011. 2008 CAIDI completed and 2010 CAIDI planned. Project completed in 2009 to install VLRs on Markleysburg circuit for improved reliability.	Monitor reliability. Evaluate tree trimming for 2011.
Uniontown	SUMMIT	SEATON RD	Public vehicle hitting pole and lightning in 2 separate incidents accounted for 2/3 of the cmi on this circuit. Circuit balancing project planned for 2010. 2010 CAIDI planned.	Monitor reliability. Circuit is performing well outside of public causes.
Washington	AVELLA	W MIDDLETOWN	Weather affects accounted for nearly 1/2 of the cmi on this circuit. Tree trimming being evaluated for 2011. 2008 CAIDI completed	Monitor reliability. Evaluate tree trimming for 2011.
Washington	LAGONDA	CLUB FORTY	Off right-of-way trees accounted for approximatedly 1/2 of the cmi and snow and public vehicles accounted for 20% each. Trees trimmed in 2008. 2009 CAIDI completed	Monitor reliability. Outage causes outside AP control.
Washington	LAGONDA	LAGONDA	A public car hitting a pole accounted for 88% of the cmi on this circuit for the one-year period. Tree trimming being evaluated for 2011. 2010 CAIDI	Monitor reliability. Circuit is performing well outside of public causes.

Appendix III – Goals Progress
(Not required for fourth quarter report)

Appendix IV – Callout Acceptance

Allegheny Power 2010

Pennsylvania Local 102

Linemen

Service Center	Jan,Feb,Mar			Apr,May,Jun			Jul,Aug,Sep			Oct,Nov,Dec			YTD		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	433	96	22%	872	180	21%	452	113	25%	121	66	55%	1878	455	24%
Boyce	353	123	35%	699	156	22%	646	194	30%	218	90	41%	1916	563	29%
Butler	390	103	26%	1034	211	20%	785	161	21%	299	56	19%	2508	531	21%
Charleroi	428	133	31%	1191	236	20%	880	225	26%	362	73	20%	2861	667	23%
Clarion	96	40	41%	150	50	33%	128	63	49%	49	19	39%	425	172	40%
Jeannette	370	82	22%	755	155	21%	559	151	27%	251	73	29%	1935	461	24%
Jefferson	402	112	28%	855	131	15%	419	90	21%	73	36	49%	1749	369	21%
Kittanning	166	81	49%	302	107	35%	224	81	36%	65	33	51%	757	302	40%
Latrobe	460	129	28%	798	198	25%	467	138	30%	187	71	38%	1912	536	28%
McConnellsburg	137	65	47%	183	88	48%	184	105	57%	77	50	65%	581	308	53%
McDonald	198	77	39%	284	116	40%	301	108	36%	112	54	48%	895	354	40%
Pleasant Valley	280	137	49%	704	164	23%	503	149	30%	239	79	33%	1726	529	31%
St.Mary's	142	75	53%	211	135	64%	233	126	54%	228	76	33%	814	412	51%
State College	364	138	38%	743	215	29%	821	204	25%	302	122	40%	2230	679	30%
Uniontown	347	116	33%	562	168	30%	567	168	30%	232	92	40%	1708	544	32%
Washington	466	113	24%	794	152	19%	766	158	21%	304	70	23%	2330	493	21%
Waynesboro	573	165	29%	732	184	25%	721	193	27%	318	120	38%	2344	662	28%
Total AP Average	5607	1785	32%	10869	2645	24%	8656	2427	28%	3437	1180	34%	28569	8037	28%

Electricians

Service Center	Jan,Feb,Mar			Apr,May,Jun			Jul,Aug,Sep			Oct,Nov,Dec			YTD		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	35	25	71%	57	40	70%	47	32	68%	29	11	38%	168	108	64%
Boyce	40	21	53%	44	26	59%	104	38	37%	19	8	42%	207	93	45%
Butler	47	23	49%	92	48	52%	40	17	43%	13	4	31%	192	92	48%
Charleroi	76	28	37%	130	44	34%	100	30	30%	27	7	26%	333	109	33%
Jeannette	33	6	18%	39	14	36%	71	16	23%	15	2	13%	158	38	24%
Jefferson	61	23	38%	165	18	11%	124	22	18%	64	16	25%	414	79	19%
Kittanning	34	19	56%	32	21	66%	28	19	68%	9	8	89%	103	67	65%
Latrobe	46	20	43%	54	19	35%	38	11	29%	25	9	36%	163	59	36%
Pleasant Valley	50	26	52%	46	20	43%	51	25	49%	18	10	56%	165	81	49%
St.Mary's	27	17	63%	30	15	50%	59	22	37%	11	5	45%	127	59	46%
State College	62	13	21%	64	11	17%	36	17	47%	10	3	30%	172	44	26%
Washington	36	9	25%	39	16	41%	55	13	24%	18	6	33%	148	44	30%
Waynesboro	51	9	18%	66	13	20%	49	16	33%	41	11	27%	207	49	24%
Total AP Average	598	239	40%	858	305	36%	802	278	35%	299	100	33%	2557	922	36%
Total Combined AP Average	6205	2024	33%	11727	2950	25%	9458	2705	29%	3736	1280	34%	31126	8959	29%

Appendix V – 5% Distribution Circuit Improvement Index (DCII)

AP calculates the DCII to provide a single index for ranking circuits. The DCII compares the SAIFI, SAIDI, CAIDI and ASAI for each circuit to the 5-year system averages of each index and combines them into a single index. An example of this calculation is shown below:

Index	System Average	Sample Circuit Index
SAIFI	0.66	2.32
SAIDI	181.95	258.8
CAIDI	275.71	176.23
ASAI	0.999654	0.999769

1) The SAIFI, SAIDI and CAIDI are compared to the system average indexes.

Actual SAIFI / System Average SAIFI	= 2.32 / 0.66	= 3.52
Actual SAIDI / System Average SAIDI	= 258.8 / 181.95	= 1.42
Actual CAIDI / System Average CAIDI	= 176.23 / 275.71	= 0.64

2) To permit the average to equal 70 percent this ratio is then inversely proportioned:

SF = 1 - (0.3 x (Actual SAIFI / Average SAIFI)) = 1 - (0.3 * 3.52) = -0.0560
SD = 1 - (0.3 x (Actual SAIDI / Average SAIDI)) = 1 - (0.3 * 1.42) = 0.5740
CD = 1 - (0.3 x (Actual CAIDI / Average CAIDI)) = 1 - (0.3 * 0.64) = 0.8080

3) The sum of the values is then divided by 3 to assign each index an equal weight in the calculation.

(SF + SD + CD) /3 = (-0.0560 + 0.5740 + 0.8080) / 3 = 0.4420

4) The Actual ASAI is then multiplied directly to this value to get the interruption factor which when multiplied by 100 provides the DCII.

((SF + SD + CD) /3) * ASAI x 100 = DCII = 0.4420 * 0.999769 *100 = 44.19

Appendix VI – Major Event

There were no Major Events in the quarter.

Re: Allegheny Power Fourth Quarter 2010
Reliability Report

CERTIFICATE OF SERVICE

I certify that this 31st day of January, 2011, I have served a true and correct copy of the Fourth Quarter 2010 Reliability Report of Allegheny Power by first-class mail, postage prepaid, upon the following:

VIA FIRST-CLASS MAIL

Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1921

Office of Small Business Advocate
Suite 1102, 300 North 2nd Street
Harrisburg, PA 17101

David J. Dulick
Pennsylvania Rural Electric Assn.
212 Locust St., 2nd Floor
Harrisburg, PA 17101

Scott J. Rubin, Esquire
Utility Workers Union of America
333 Oak Ln.
Bloomsburg, PA 17815-2036

John L. Munsch
Attorney for ALLEGHENY POWER

H RIDDLE
724-838-6269
ALLEGHENY POWER
800 CABIN HILL DR
GREENSBURG PA 15601

1 LBS PAK 1 OF 1

SHIP TO:
ROSEMARY CHIAVETTA, SECRETARY
724-838-6269
PENNSYLVANIA PUBLIC UTILITY COMMISS
400 NORTH STREET
COMMONWEALTH KEYSTONE BUILDING
HARRISBURG PA 17120-0200

PA 171 9-20

UPS NEXT DAY AIR **1**
TRACKING #: 1Z 183 905 01 9984 2818

BILLING: P/P

Accounting: 1001-53001454

CS 13.0.22. WXPIE60 12.0A 01/2011