



Pike County Light & Power Company
2018 Summer Readiness Overview

June 12, 2018

Company Overview

Pike County Light & Power Company (“PCL&P” or the “Company”) is an electric distribution company (“EDC”) which has approximately 4,600 delivery customers. The Company is a wholly-owned subsidiary of Corning Natural Gas Holding Company (“CNGHC”). PCL&P’s service territory is comprised of two Boroughs, and three Townships including the County Government seat in Milford.

A. Reliability Enhancement Programs

a. Enhanced Vegetation Management

The Company has been effective in removing danger trees. The Company removes, trims or removes larger leaders on danger trees within rights-of-way areas when identified. Those danger trees that exist outside of the Company's right-of-way areas can only be removed with customer or municipal authorization. On most of the distribution system there were a few off right of way danger trees removed. PCL&P will work with the County Commissioners' office, the Boroughs of Matamoras and Milford, the Townships of Westfall and Milford, the Milford Shade Tree Commission, and individual property owners to address those danger trees that represent a hazard to the Company's electrical system that are located outside of right-of-way areas. In 2017, PCL&P coordinated the removal of a few danger trees identified with Shade Tree Commissions, DPW’s and a few property owners in various areas.

b. Storm Hardening

There has been no Storm Hardening Projects performed in PCL&P’s service territory.

c. Fuses/Reclosers/automatic switches

There are currently four reclosers in service on Line 7 which sectionalize the circuit to minimize the number of customers affected during fault conditions. These units are functionally tested once every three years. The Company will complete the visual inspection and download of each unit annually. These tests verify availability when system activity increases due to storm or other activity on the circuits.

d. Smart Grid

No Smart Grid technology has been installed on the 13kV circuits in PCL&P’s service territory.

e. Conservation Voltage Reduction (CVR) activity

Matamoras Bank 1104 is no longer included in the NYISO voltage reduction plan.

f. Any other relevant continual improvement activity

The Company continued the usage of smart fault indicators (“SFI”). In addition, the pole top reclosers and substation devices currently monitored and controlled by Orange and Rockland Utilities’ SCADA system is in progress of being converted to PCL&P’s SCADA monitoring and control SCADA system.

The defective poles identified during 2015 (pre-ownership of PCL&P) and 2017 pole inspection programs are currently being replaced.

B. Preventative Maintenance Programs

a. Capacitor Inspections

Pike uses a combination of eleven fixed and automatically switched capacitor banks to maintain system voltage throughout the year. In addition, PCL&P has five distribution voltage regulators to help maintain nominal system voltage level throughout peak and off- peak load cycles. These units will be tested to verify readiness for summer peak loading when the devices are needed most. The Company will be completing functional tests for capacitor banks during the summer of 2018.

b. Vegetation Management

The Company’s vegetation management program consists of: (1) a not to exceed five-year scheduled preventive vegetation management cycle; (2) a danger tree/leader removal program; and (3) a hot spot trimming program that is applied as necessary.

Scheduled preventive vegetation management work was completed in the fall of 2017 on the 13.2kv distribution circuits or 40% of the PCL&P distribution system, along with some hot spot (applying 34.5kv cycle specification) within the “Pine Tree Alley” portion of the 34.5kv feeder into Milford Borough. There were minimal danger tree removals within the utility row, however, large leaders adjacent too and over the conductors were removed. There were some off right of way removals in coordination with the Milford Borough and Pike County management. The scheduled preventive vegetation management cycle for the remainder of the 60% is planned for the fall of 2018.

Substation Inspections

All substation maintenance is performed in accordance with the “Substation Maintenance and Inspection Program” that is detailed and included in the Pike County Light & Power Annual Electric Reliability Report. The Company will be performing such maintenance on the Matamoras substation in preparation for the peak period.

c. Aerial Patrols

PCL&P does not conduct aerial patrols of its distribution system.

d. Infrared Inspections

The Company inspects all three-phase mainline circuitry annually using thermal infrared cameras. Single phase circuitry is inspected on a three-year cycle. The 2018 infrared survey is scheduled for the August time frame to coincide with peak system loading and temperatures.

e. Any other relevant continual improvement activity

The Company inspects the overhead lines of the PCL&P distribution system every two-years. These inspections identify abnormal conditions and verify satisfactory transformer conditions. The distribution pole inspection program is on a twelve-year cycle and verifies pole strength and other attributes that could impact reliability. In 2016, the transition year of ownership, no poles were inspected. Therefore in 2017, the Company's vendor performed approximately 1000 pole inspections or 20% of the total pole population.

C. Capacity Planning

The first two phases of the enhanced reliability projects were completed by ORU in 2014 and 2015. The Joint Agreement requires that PCL&P continue with the third phase of the enhancements and initiate an energy supply study. The Company proposes to adhere to the requirements. However, it will conduct a study of the proposed enhancements, utilizing the 2017 and 2018 peak load data; known proposed new electric loads expected in 2018 and the reliability performance of the two 34.5kv feeders to confirm the capacity needs of the system. The energy supply study was completed and submitted.

D. 2017 Storm Update and Lessons Learned

PCL&P experienced one storm event in 2017 that was managed by ORU Operations and PCL&P management.

E. 2018 Summer Readiness

a. Capacity Additions

The sale of PCL&P Company from ORU to Corning Natural Gas Company was completed on September 1, 2016. As part of the sale, the Company is required to initiate an energy supply study within a six-month period which has commenced. The results of the study, the "Alternate Supply Study" was completed and submitted to the PUC as required on 2/28/18.

b. Transmission Preparedness

PCL&P owns no transmission facilities.

c. Event Preparedness

The Company continually monitors weather conditions and forecasts throughout the year, especially during the summer months when there is a greater likelihood for thunderstorms to occur. Notifications to proper municipal authorities, outside restoration resources (includes damage assessors, line crews and Corning support team) are made in preparation of the event.

d. Training

The training programs will be part of the appropriate Corning Natural Gas programs for the PCL&P employees. In addition, specific training to PCL&P employees, associated with customer service and other management systems will participate in training, conducted on scheduled and/or on as needed basis to insure performance and uniformity.

The Operations related work will be conducted by a contract workforce. The training of their employees will under their responsibility and documented in the contractor's EHASP.

e. Personnel sufficient

The company provides a quarterly update to the TUS as part of the settlement agreement, which includes an update on employee and contractor Full Time Employees (FTE). The Company is required to request prior approval to hire individual contractor functions. The Company is continuing to review and identify the personnel needs as workloads and responsibilities develop.

F. Storm Response

- a. Since September 1, 2016 thru all of 2017, ORU has provided all necessary personnel for outage response and are adhering to their set processes. In September of 2017, PCL&P commenced with its own CICS and third-party contractor for the off-hour Call Center. There were no storms while the new CICS and Call Center were activated.

b. Communications and Outreach

The PCL&P team has met with and will continue to meet with the local municipal and county government OEM personnel to discuss initial and update in personnel or communication protocols.

c. Outage restoration and storm response best practices implemented and/or identified for future implementation

Throughout 2016 and 2017 ORU/PCL&P has followed the storm staffing of both Company and contractor personnel using the ORU Storm Classification Matrix as a guide, which outlines minimum staffing levels based on a combination of expected weather conditions and anticipated customer outages. The PCL&P team has and will continue to update emergency and municipal officials prior to and during system emergencies.

Under ORU/PCL&P, public and employee safety are paramount in setting restoration priorities and coordinating restoration efforts. It is a focus to make conditions safe, restore utility service to the communities as quickly as possible, and manage repairs throughout the event. Once PCL&P implements its own contractor operations response teams it will apply the following general sequence for the restoration of the electric delivery system:

- Wires down in heavy pedestrian areas or state or emergency service road closures and Municipally reported wires down or road closures;
- Critical facilities, including hospitals, police and fire stations, water supply and sewage;
- All other wires down and road closures and all distribution circuit lockouts;
- All other affected customers prioritized by highest customer count.

This is incorporated with the implementation of damage assessment, vegetation removal and then electric repairs and restorations.