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April 7, 2010

VIA FEDERAL EXPRESS

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

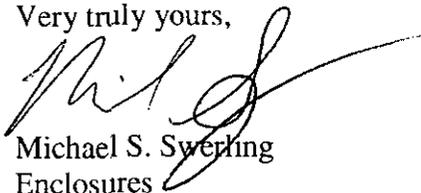
**Re: Proposed Policy Statement Regarding Utility Service Outage Public
Notification Guidelines - Docket No. ~~X~~-2008-2065532**

M

Dear Secretary McNulty:

Enclosed are an original and fifteen (15) copies of the *Comments of PECO Energy Company to the Proposed Policy Statement* in the above-captioned matters. An additional copy of this letter is also enclosed to be date-stamped and returned to PECO Energy.

Very truly yours,



Michael S. Swerling
Enclosures

cc: Elizabeth Barnes, Assistant Counsel (via email)

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PA PUBLIC UTILITY COMMISSION
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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PROPOSED POLICY STATEMENT : M-2008-2065532
REGARDING UTILITY SERVICE OUTAGE :
PUBLIC NOTIFICATION GUIDELINES :

**COMMENTS OF PECO ENERGY COMPANY TO THE PROPOSED POLICY
STATEMENT REGARDING PUBLIC NOTIFICATION**

I. INTRODUCTION

After Hurricane Ike caused service interruptions to more than 450,000 customers in September 2008, the Pennsylvania Public Utility Commission (“Commission”) conducted a statewide evaluation of Electric Distribution Company (“EDC”) storm response, service restoration and customer communication practices. Certain EDCs filed responses to Commission questions and two public input hearings were held to discuss storm preparation, restoration and communications.

In April 2009, the Commission’s Bureau of Conservation, Economics and Energy Planning and Office of Communications filed a report with the Commission entitled, *Electric Distribution Company Service Outage Response and Restoration Practices Report* (“Report”). The Report concluded that during Hurricane Ike, EDCs did not keep open predictable lines of communication with the public, which could have eased public frustration. The Report also found that communication problems occurred because:

The utilities did not utilize the principles of the National Incident Management System and its Incident Command System. These principles include making certain the message is consistent, using one spokesperson for an information release and providing predictability to the release of updated information. The EDC’s should consider utilizing a Joint Information System/Joint Information Center that organizes all of the information throughout the utility into one unified message with one

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person to deliver that message at predictable timeframes to the public, media and others.¹

Based on its Report, the Commission entered a Proposed Rulemaking Order (“Order”) at Docket L-2009-2104274 seeking comment. The Commission’s Policy Statement stressed that utilities should adopt National Incident Management System (“NIMS”) standards to manage outages. Specifically, the Policy Statement provided guidelines for utilities to establish written crisis communication plans and Joint Information Systems (“JIS”). According to the Commission, these measures will better coordinate responses when incidents affect multiple utilities in the same region. The purpose of these measures is to alleviate customer frustration due to utility-customer communications during unscheduled outages.

PECO Energy Company (“PECO”) applauds the Commission’s goal of fostering better communication with customers. To help achieve this goal PECO offers the following comments.

II. COMMENTS

1. 52 Pa. Code § 69.1902(b)

In its Policy Statement, the Commission proposed guidelines that EDCs should follow in adopting NIMS standards to better organize information during outage incidents. The proposed language in 52 Pa. Code § 69.1902(b) describes a focus or scope of proposed guidelines rather than specific guidelines. Therefore, PECO recommends that this section be moved to the 52 Pa. Code § 69.1901, Statement of Scope section.

¹ Electric Distribution Company Service Outage Response and Restoration Practices Report, page 14.

2. 52 Pa. Code § 69.1902(b)(1), Crisis Communication Plans.

The proposed guideline at 52 Pa. Code § 69.1902(b)(1) explains that EDCs should develop written crisis communication plans consistent with NIMS standards. The Commission proposed these guidelines to reduce customer frustration during events related to contradictory communications. PECO already has a crisis communication plan that effectively responds to unscheduled outages and major storm conditions. Because PECO has demonstrated effective communications and responses during outages, PECO should not be required to incur the added costs of changing its plan.

Years of extensive experience in outage response has allowed PECO to ensure the most effective outage response is utilized. NIMS was developed to coordinate emergency preparedness and incident management among various federal, state, and local agencies. Agencies have different procedures, structures and legal requirements than public utility companies. On the other hand, utilities deal with outages on a regular basis and have practices and procedures to deal with them effectively and efficiently.

It is not necessary to impose the additional costs on utilities and financial burden to ratepayers than would be required to update existing procedures. NIMS standardizations will require additional resources including new hires, training, practice exercises and certifications. A cost benefit analysis has not been performed to determine whether these costs are justified.

3. 52 Pa. Code § 69.1902(b)(2), Coordination.

For Incidents involving more than one EDC in the same geographic area, the Commission recommends giving strong consideration to implementing a NIMS based

Joint Information System. The Commission's proposal states that, "strong consideration should be given to implementing the NIMS-based Joint Information System/Joint Information Center." This language suggests that the Commission expects all utilities to adopt such a JIS. Implementing joint systems so that each utility provides the same information will be costly. It will require building an inter-utility communications infrastructure. It is unclear whether each utility will be required to build a permanent center or if temporary centers are acceptable. If temporary centers are available, the various affected utilities may have difficulty choosing the proper location based on a storm's location and movement. Because multiple utilities would need to coordinate such an effort, it is also unclear how the costs would be attributed to the ratepayers from each participating utility. Utilities also may be required to spend significant IT costs to develop a "universal communication program" that all utilities must use.

PECO feels that each utility can effectively communicate with its own customer base and that ratepayer money is best spent on communications between the utility and its own customers.

4. 52 Pa. Code § 69.1902(b)(3), Public Notice Templates

The proposed guideline at 52 Pa. Code § 69.1902(b)(3) explains that EDCs should prepare public notice templates in advance of emergency situations. The templates should cover as many scenarios as possible. PECO understands the Commission's desire to have ready-made messages to provide to customers in every possible scenario. However, each situation is unique. Because templates would contain standard information, they may not be helpful in many situations. The templates would need to be

updated with event specific information after the event occurs. Therefore, PECO recommends that the Commission remove the guideline suggesting that utilities adopt public notice templates.

5. 52 Pa. Code § 69.1902(c), Contact Information.

The proposed guideline at 52 Pa. Code § 69.1902(c) explains that utilities should station a knowledgeable contact person in the outage area to communicate with the public and the media. Media updates should also be provided at predictable times during the outage. The Commission also states that utilities should establish a single point of contact as the sole media spokesperson.

PECO's crisis communication plan provides that a media relations point of contact may be stationed on site, dependent on the severity of the event. PECO recommends that this guideline be revised to qualify that an on site contact is only required if the event is of a serious magnitude. Based on the foregoing, PECO recommends that this guideline be removed and that utilities be accorded the appropriate discretion.

III. CONCLUSION

PECO appreciates the opportunity to comment on the Commission's Proposed Policy Statement. PECO respectfully requests that the Commission adopt its comments to the Policy Statement.

Respectfully submitted,

Dated: April 7, 2010



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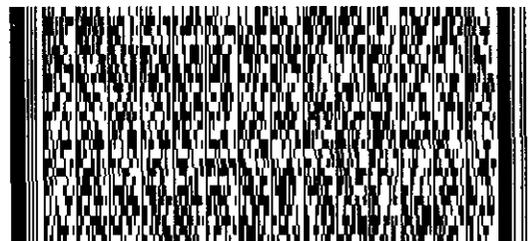


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