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VIA FEDEX NEXT DAY

April 29, 2010

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

RECEIVED

APR 29 2010

**Re: 2009 Annual Reliability Report of Allegheny Power;
2010 First Quarter Reliability Report of Allegheny Power**

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Dear Secretary McNulty:

L-00030161

Enclosed please find an original and six copies of the **2009 Annual Reliability Report of Allegheny Power** and **2010 First Quarter Reliability Report of Allegheny Power** filed pursuant to 52 Pa. Code §57.195. Copies of the Reports have been served on the parties to Allegheny Power's reliability standards and benchmarks proceeding at Docket No. M-00991220F0003.

This filing is made by FedEx Next Day delivery, and the filing date is deemed to be today.

Very truly yours,


John L. Munsch
Attorney

Enclosures

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

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APR 29 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Allegheny Power

Annual Transmission and Distribution System Reliability Report

Pennsylvania PUC 52 PA 57.195

Annual Report for 2009

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52 Pa. Code 57.193 (c)**Annual Transmission System Reliability Report**

Allegheny Power (AP) is a member of the Reliability*First* Corporation (RFC). This Regional Reliability Council prepares a semi-annual assessment of the bulk Transmission system. The assessment objective is to determine intra-regional transfer capability values that can be trended and utilized to assess the transmission system within Reliability*First* and determine any operational concerns or issues for the upcoming season. The 2010 summer assessment is titled “**2010 Summer Assessment of Transmission System Performance**”. This report will be available upon request from RFC.

52 Pa. Code 57.195 (b1)

Introduction

Allegheny Power (“AP”) is in compliance with all of its benchmarks and standards. Allegheny Power completed a Major Improvement Plan in 2009 and submitted its initial biennial Inspection and Maintenance Program filing.

	Benchmark	1 yr Std	3 yr Std	12-Month	3 yr Avg
SAIDI	179	257	216	160.51	208
SAIFI	1.05	1.26	1.16	0.968	1.14
CAIDI	170	204	187	165.82	181

Assessment

AP has implemented technology to measure reliability and respond to forced outage events. Technologies such as Automated Mapping/Facilities Management, Outage Management System, Call Center Interactive Voice Response, Computerized Work Management System, and mobile technologies all support timely response to field conditions. In 2009, Allegheny Power implemented two software additions to aid in restoration efforts. These two software additions are a Dashboard software system for the OMS system called Obvient and a Mobile Workforce Management system called Avail. The purpose of the dashboard software is to rapidly assess the electric outages in the OMS system and present the information concisely to afford better restoration decisions. The purpose of the Mobile Workforce Management system is to better utilize available labor resources for restoration purposes. A corporate training center, reliability programs, and processes to support reliability initiatives are in place to continually address and improve distribution reliability. These and other initiatives such as damage assessment training also support intense work efforts for responding to severe weather events. Well-established maintenance programs are in place to ensure the existing system will continue to operate in a safe and reliable manner. Allegheny also has maintenance programs in place to address poor performing circuits as well specific line segments where reliability issues may exist, as revealed by three-or-more device interruptions.

Weather events continue to affect circuit reliability and reliability statistics. Major events, discussed later in this report, are excluded from statistics but can affect budgets and work plans. Other, less severe, weather events are included in statistics and can contribute significantly to reliability statistics, especially on an individual circuit basis. These events are also mentioned later.

Programs and Procedures

Select subsections of Allegheny Power *Construction, Operation, and Maintenance (COM) Manual* and *Engineering Manual* and are summarized below.

Overhead Lines – Patrol of EHV, Transmission and Subtransmission Lines - Patrol Description and Scheduling

- Comprehensive patrols are performed on a five-year interval for all EHV lines (345-500 kV) and on a ten-year interval for all transmission lines 115-230 kV).

- All lines (115 through 500 kV) undergo a general patrol annually between the comprehensive patrol years, and subtransmission lines (23 through 69 kV) receive a general patrol annually.
- All EHV and transmission lines are patrolled annually to assess vegetation and danger tree conditions.
- All steel poles, towers, and concrete footers are inspected during each line's scheduled comprehensive patrol.

Overhead Lines – Patrol of EHV, Transmission and Subtransmission Lines – Inspection and Report Guidelines

- Provides guidelines for performing inspections of EHV, transmission, and subtransmission lines and preparing reports.

Overhead Lines – River Crossing Inspections

- All river crossings covered by permits issued by the Corps of Engineers are inspected every ten years and immediately after floods or high water.

Overhead Lines – Annual Inspection & Maintenance (AIM) – Lines 46 kV and Below

- AIM Tier 1 is a time-based inspection of every circuit by contract pole inspectors over a twelve-year, recurring cycle.
- *AIM Tier 2* projects are both time-based and reliability-based projects. The time-based portion of AIM Tier 2 will consist of Company personnel inspecting every circuit on the AIM Tier 2 schedule once every 12 years. The AIM Tier 2 schedule will lag the AIM Tier 1 schedule by approximately 6 years.

Overhead Lines – Inspection of Standing Wood Poles

- Inspections of distribution and subtransmission wood poles and hardware are conducted on a twelve-year cycle by contract inspectors.
- Transmission poles are inspected on a ten-year schedule in conjunction with the Comprehensive Aerial Patrol described above.

Overhead Lines – Inspection and Maintenance Program for Three Phase Group Operated Air Switches Used On Overhead Distribution and Subtransmission

- Manual air switches are inspected prior to planned or emergency operation of the switch. Automatic air switches are visually inspected during inspection and maintenance of the motor mechanisms. Repairs or replacements are performed if the air switch does not operate properly.

Overhead Lines – Inspection and Maintenance Program for Oil Circuit Reclosers

- Replacements of vacuum-interrupting reclosers occur at a maximum every 15 years and oil-interrupting reclosers a maximum every 10 years. Any reclosers found to be faulty are replaced.

Overhead Lines – Inspection and Maintenance of Distribution Line Voltage Regulators

- Regulators are tested to assure proper operation. Faulty regulators are replaced.

Overhead Lines – Inspection and Maintenance Program for Distribution Capacitors

- Regulators are inspected to assure proper operation. Faulty capacitors are replaced.

Underground Distribution/Subtransmission Lines – Underground Equipment Inspection

- Underground equipment is inspected on a five-year cycle.

Vegetation Control Program Overview

- Allegheny Power has a structured vegetation control program in which rural distribution circuits are maintained only to the extent necessary to achieve acceptable reliability between scheduled management activities. Urban distribution circuits are maintained on a more frequent basis. Cycle lengths may vary due to shorter or longer growing seasons, species variation, and other factors that influence growth. Transmission lines are patrolled annually and maintained on an as needed basis.

Vegetation – Initial Clearing Guidelines

- Guidelines have been established for initial right-of-way clearing. Standard corridor widths are established for each voltage class and construction type unless otherwise stated on the construction print.

Vegetation – Planning, Scheduling, Budgeting, Contracting, and Recording Vegetation Management Work on Distribution Voltages

- Rural distribution circuits are scheduled based on a predetermined formula which factors in time since last trimmed, tree related CMI over at least three years, and the number of customers on the circuit. Rural circuits with the worst cumulative ranking should be made highest priority when scheduling. Circuits trimmed within the past three years are not eligible for schedule trimming evaluation. Urban distribution circuits are planned on a cyclical schedule based on time since last trimmed. If multiple urban circuits are scheduled for the same year, reliability stats will further prioritize for scheduling purposes.

Vegetation – Planning, Scheduling, Budgeting, Contracting, and Recording Vegetation Management Work on Subtransmission Voltages

- Management activities are scheduled based on condition assessment as well as reliability data. Factors to be considered are as follows: aerial patrol findings, customers affected, customer satisfaction as well as past reliability performance.

Vegetation – Planning, Scheduling, Budgeting, Contracting, and Performing Vegetation Management Work on Transmission Voltages

- Recommended cycles by activity have been established for vegetation management of transmission lines. Actual work completion may vary from the recommended cycle periodicity - work may be deferred to a later date or completed ahead of schedule when conditions warrant such schedule changes. Annual general aerial patrols are used to identify emergency conditions, to assess effectiveness of maintenance activities, to determine vegetation conditions, to assist in creating and refining management plans and vegetation management schedules.

Vegetation – Vegetation Management Inspection

- This procedure outlines the requirements for inspecting vegetation management contractors. Audit of contractor activities ensures contract compliance and quality of work.

Engineering Manual Reliability and Improvement Program (RIP)

- Detailed reviews are conducted on distribution circuits with reliability indices falling outside of AP's expected reliability. RIP guidelines identify a range of targeted and cyclic inspection and maintenance programs that can be applied to poor performing circuits.
- This program places greater emphasis on analyzing data available through the Outage Management System (OMS) to focus maintenance activities on poor performing circuits and line segments. These enhancements were made as the result of new reporting functionality provided via web based reporting from the outage management system. This program targets reliability improvement as follows:
 - **Poor Performing Circuits** -Targets poorest performing circuits as ranked by the Distribution Circuit Interruption Index (DCII). DCII is a composite index comprised of SAIFI SAIDI, CAIDI and ASAI utilized to rank and prioritize circuits). Detailed outage analysis is performed on these circuits and an action plan, if necessary, is developed to improve performance.
 - **Circuit that have two or more lockouts** - Any circuit that has locked out multiple times in a 12-month period will require a detailed analysis and, if necessary, an action plan will be developed to improve performance.
 - **Open Sectionalizing Devices** - Sectionalizing devices experiencing multiple operations in a 12-month period will require detailed analysis and,if necessary, an action plan will be developed to improve performance.
 - **Substation Breaker/Recloser Operation** - Reclosers experiencing more than abnormal number of operations annually will be reviewed and, if necessary, an action plan will be developed to improve performance.
 - Outage maps can be created to support outage analysis on circuits for specific time periods and outage causes.
- By utilizing the above criteria (in addition to our standard maintenance activities) to target maintenance to poor performing circuits and line segments, AP is able to focus its resources upon facilities exhibiting less-favorable reliability.

Substation Maintenance Program - Objectives and Desired Outcomes

The objective of AP's substation maintenance program is to maintain safe and reliable service to customers. The program has three components:

1. **Preventive Maintenance** is done to preserve the function of equipment or facilities and to prevent failures. These tasks are either performed periodically or are triggered by number of operations.
2. **Predictive Maintenance** is done to assess the condition of the equipment and consists of diagnostic tests and inspections. It is completed in conjunction with preventive and corrective maintenance.
3. **Corrective Maintenance** is done to repair equipment and facilities or to replace failed equipment and facilities.

Substation maintenance and operating practices include “Maintenance Class Details” which lists the various classes of maintenance and inspection procedures performed on all substation equipment such as power and instrument transformers, circuit breakers, regulators, reclosers, capacitors, batteries and chargers, etc.

52 Pa. Code 57.195 (b)(2)

Major Events

The reliability data included in this document excludes the following Major Event. This event was approved by the PUC for exclusion as shown in Appendix I. Statistics for the Major Event follows:

1. There was one Major Event in 2009.

Between February 11 and February 15, 2009, Allegheny Power experienced the most severe event in its history to that point in time. A line of strong, steady winds with wind gusts rolled through the System affecting every service center across AP's affiliated companies' four state region. The line of storms from the west also affected states to the west, south, and potentially the east and north. As such, mutual assistance support was not available. Company transfers were also not available initially because every service center was impacted by the event.

The date and time of the first notification of a service interruption:

February 11, 2009 7:16 PM

The actual time that service was restored to the last affected customer:

February 15, 2009 10:55 PM

Statistics for the event:

Customers Interrupted	Customer Minutes Interrupted	Number of Incident Devices
136,569	108,622,994	4,280

Major event description:

- (i) Either of the following (A) or (B) qualifies as a major event for data exclusion, with approval of the PUC:
 - (A) An interruption of electric service resulting from conditions beyond the control of the electric distribution company which affects at least 10% of the customers in an operating area during the course of the event for a duration of 5 minutes each or greater. The event begins when notification of the first interruption is received and ends when service to all customers affected by the event is restored. When one operating area experiences a major event, the major event shall be deemed to extend to all other affected operating areas of that electric distribution company.
 - (B) An unscheduled interruption of electric service resulting from an action taken by an electric distribution company to maintain the adequacy and security of the electrical system, including emergency load control, emergency switching and energy conservation procedures, as described in § 57.52 (relating to emergency load control and energy conservation by electric utilities), which affects at least one customer.
- (ii) A major event does not include scheduled outages in the normal course of business or an electric distribution company's actions to interrupt customers served under interruptible rate tariffs.

- a. Allegheny Power's Restore Service storm response procedures are continually being updated following major events. Process team members and others involved in the storms meet to share 'lessons learned'. Procedures are revised as necessary to improve response to the variety of storms encountered across AP's service territory.
- b. 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, large regional storms are typically not excluded, even though they often require significant restoration efforts. During the 12-month period ending December 2009, AP's Pennsylvania service territory experienced many such events which contributed approximately 65 minutes, or 40%, to PA SAIDI.

52 Pa. Code 57.195 (b)(3)

Reliability Indices, Performance Measures, and Supporting Data

The following tables provide 2009 reliability statistics (SAIFI, CAIDI, and SAIDI) and three years of supporting statistics along with AP's current Benchmarks and Performance Standards:

Year	Interrupted Customers	Avg Cust Served	CMI	SAIDI	ASAI	CAIDI	SAIFI
2007	901,243	700,113	187,787,989	268	0.999490	208	1.29
2008	818,562	704,518	137,404,253	195	0.999630	168	1.16
2009	686,453	708,940	113,827,264	161	0.999695	166	0.97

The following table provides Allegheny Power's current benchmarks and standards.

	Approved	Rolling	Rolling	
Reliability	Settlement	12-Month	3-Yr Avg.	2009
Indices	Benchmarks	Standard	Standard	Performance
SAIFI	1.05	1.26	1.16	0.97
CAIDI	170	204	187	166
SAIDI	179	257	217	161

Supporting Discussion:

MAIFI Indices Reporting

Momentary Average Interruption Frequency Index (MAIFI) statistics are not recorded or readily available at Allegheny Power. Sufficient field equipment is not available to provide meaningful data for momentary interruptions indices.

52 Pa. Code 57.195 (b)(4)

Outage Causes and Proposed Solutions

A summary and review of service territory-wide outage causes follows:

Outage Cause	Incidents 12 Month ending Dec 09		Customers Interrupted 12 Month ending Dec 09		Customers Minutes Interrupted 12 Month ending Dec 09	
	Number	Percent	Number	Percent	Number	Percent
Animals	1,200	8.7%	29,431	4.3%	2,833,879	2.5%
Overhead Equipment Failure						
Overhead Line Equipment	1,019	7.3%	30,401	4.4%	3,594,328	3.2%
Overhead Line Material	1,605	11.6%	79,574	11.6%	9,091,827	8.0%
Overhead Wire	1,072	7.7%	58,785	8.6%	6,317,771	5.6%
Underground Equipment						
Underground Line Material	37	0.3%	332	0.0%	73,704	0.1%
Underground Line Equipment	82	0.6%	670	0.1%	181,418	0.2%
Underground Cable	313	2.3%	6,625	1.0%	1,893,863	1.7%
Service Equipment	19	0.1%	39	0.0%	12,604	0.0%
Substation Equipment	253	1.8%	39,844	5.8%	3,060,379	2.7%
Other	145	1.0%	7,007	1.0%	761,543	0.7%
Public/Customer	1,502	10.8%	116,825	17.0%	14,554,959	12.8%
Trees						
On Right of Way	512	3.7%	23,383	3.4%	4,879,728	4.3%
Off Right of Way	3,090	22.3%	160,682	23.4%	43,344,843	38.1%
Unknown	1,452	10.5%	58,712	8.6%	5,993,411	5.3%
Weather	1,565	11.3%	74,143	10.8%	17,233,008	15.1%
Total	13,866	100%	686,453	100%	113,827,265	100%

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 also do not represent "unique" incidents.

Analysis and Plans of Action

Allegheny Power believes that the greatest improvement in company-controllable outages will result from several initiatives in place to improve distribution reliability in Pennsylvania.

- Through AP's Reliability Improvement Plan (see "Current Programs and Procedures" in this report), address poor performing circuits and line segments.
- Expanded Forestry Danger Tree Program – Allegheny Power's Danger Tree Program consists of removing, or significantly reducing in height, diseased or damaged trees located outside the boundary of the right-of-way (off ROW) that pose a threat to service reliability and/or the integrity of the line under any weather condition. Beginning in 2003, AP began targeting live, healthy trees as well that pose a threat to service reliability and/or integrity of the line by uprooting, breaking, or otherwise falling into the line.
- Worst Performing Circuit Improvement - AP continues a circuit improvement initiative whereby worst performing circuits across the system are identified, studied, and targeted for further possible improvements based on the review of outage causes. Outage maps are created and the circuit outage history along with local knowledge of field conditions are all used to assess circuit performance and identify solutions.

Six-Sigma Initiatives – New teams are formed annually to focus on root cause analysis in improvement areas across the Company.

- The Ensure Reliable Service/Restore Service Cost Management Team was formed to control costs for restorative, corrective, and preventive work.
- A Performance Management Team was initiated to determine better ways to track and implement goals and status updates of storm events.

52 Pa. Code 57.195 (b)(5)

Remedial Efforts for 5% Worst Performing Circuits

The following circuits were on the 5% Distribution Circuit Interruption Index (DCII) worst performing circuit list as of 9/30/08 and 9/30/09. AP targets the worst performing circuit list before year end to allow more time to perform circuit reviews and identify potential projects prior to the following budget cycle. AP has found that additional time is needed to identify circuits, perform a detailed analysis on the circuits including creating outage maps and evaluating outage causes and remedial actions, budgeting for projects, designing and procuring material and equipment, and constructing the improvement plans. A description of remedial efforts for each circuit is included along with description of significant outage causes, if any. DCII is explained in Appendix III.

State College SC/WATERVILLE Substation/WATERVILLE Circuit

- Circuit review completed. Trees were trimmed in 2007. This circuit is fed from a foreign utility. Alternate supply options are limited. Distributed generation was considered but is costly. Isolating points and fault indicators were added as part of the CAIDI improvement program. CAIDI review completed in 2008.

Hyndman SC/PURCELL Substation/ARTEMAS Circuit

- CAIDI project completed in 2009. Fuse coordination completed in 2010.

Latrobe SC/STAHLSTOWN Substation/KREAGER Circuit

- Circuit CAIDI review completed in 2009. CAIDI project completed in 2009.

McDonald SC/SMITH Substation/FLORENCE Circuit

- Circuit CAIDI review completed in 2009. Reconductoring project completed in 2009. Tree trimming completed in 2008. CAIDI project completed in 2008.

Arnold SC/WATSON Substation/WATSON Circuit

- Circuit CAIDI review to be completed in 2010. Project planned to build a 25 kV line to reduce exposure to Watson Substation. Trees were trimmed in 2009. CAIDI project planned for 2010.

St Marys SC/DRIFTWOOD Substation/DRIFTWOOD Circuit

- Budget plan submitted to rework circuit protection on a CAIDI 2 improvement project. Tree trimming being evaluated for 2011. CAIDI project completed in 2009.

Jefferson SC/RUTAN Substation/BRISTORIA Circuit

- Reconductored sections of line. Sections of line had brush clearing performed in 2009 to improve CAIDI. Balance of tree trimming being evaluated for 2011. Circuit review completed. Future recommendations include reconductoring additional mainline, and adding a local material storage facility in proximity to the circuit to facilitate outage restoration. Circuit CAIDI review completed in 2008. Tree trimming being evaluated for 2011.



52 Pa. Code 57.195 (b)(6)

Transmission and Distribution Inspection/Maintenance Goals Results

Attached as Appendix II is comparison of 2009 T&D goals versus actual results for Ensure Reliable Service (ERS) work. Note that occasionally goal targets may change during the year as certain work adjusts to meet field conditions and inspection/replacement guidelines. Some work has more inherent uncertainty associated with establishing budgets and goals more than a year ahead of time, such as number of reject poles. Higher priority work, such as storm restoration, may also cause some work to be deferred. In certain situations, the company needed to control costs due to the current economic crisis/conditions. Funding assumptions are sound but difficulties associated with the economic crisis forced some difficult decisions

52 Pa. Code 57.195 (b)(7)

Transmission and Distribution Budget versus Actual O&M Expenses

Following is comparison of budgeted versus actual 2009 transmission and distribution operations and maintenance expenses. Certain organizational groups may have changed during the year, but the totals remain consistent. Note that negative amounts reflect general supervision and engineering overheads that are billed to external parties. These amounts are offsets to charges that are embedded in all other categories.

Organizational Group	2009 Actual	2009 Budget
..... Distribution Admin_CC	\$ (1,729,096)	\$ (5,999,501)
..... Distribution System	\$ 1,852,100	\$ 1,883,528
..... Asset Management_CC	\$ 318,640	\$ 583,735
..... Distribution Support_CC	\$ 12,072,039	\$ 6,508,103
..... Field Operations_CC	\$ 15,926,349	\$ 18,597,670
..... Distribution Forestry_CC	\$ 6,272,513	\$ 8,418,238
..... Transmission Other_CC	\$ 656,772	\$ 860,131
..... Substations_CC	\$ 3,924,022	\$ 4,970,773
..... Technical Services -	\$ 2,813,585	\$ 3,015,708
..... Transmission Engineering_CC	\$ 6,529,350	\$ 6,279,817
..... Transmission Forestry_CC	3,153,488.40	2,282,810.56
..... Transmission Projects_CC	302,642.81	464,727.01
..... Transmission Siting_CC	733,652.54	680,464.95
..... EHV Projects_CC	20,953.36	-
Total	\$ 52,405,367	\$ 52,078,443

52 Pa. Code 57.195 (b)(8)

Transmission and Distribution Budget versus Actual Capital Expenditures

Following is comparison of budgeted versus actual 2009 transmission & distribution capital expenditures followed by an explanation of any significant variances:

Plant code	Category	2009 budget	2009 actual
03	EHV Substation	\$ 2,339,264	\$ 2,059,418
04	EHV Lines	\$ 360,481	\$ 250,946
05	Transmission Substation	\$ 3,327,788	\$ 2,997,182
06	Elect Transmission Lines	\$ 3,262,667	\$ 682,975
07	Distribution Substation	\$ 6,312,019	\$ 8,001,190
08	Elect Distribution Lines	\$ 41,430,598	\$ 44,850,378
09	Elect General Plant	\$ 13,106,437	\$ 9,115,959
11	Subtransmission	\$ 1,590,636	\$ 2,034,008
	Total	\$ 71,729,890	\$ 69,992,057

2009 expenditures were 98% of budget. Note that a negative amount indicates that more money was budgeted or received from others for work performed than AP expended. Budget money may have been shifted between individual groups during the course of the year to better allocate funds as needs arise or as the organizational structures changed.

52 Pa. Code 57.195 (b)(9)

Transmission and Distribution 2010 Inspection and Maintenance Goals

Following is list of transmission & distribution inspection and maintenance goals for 2010.

Group	Job Type	Unit of Measurement	Goal
Distribution	Scheduled Circuit Inspection and Maintenance Program	# circuits:	57
	Scheduled Circuit Maintenance Work from Employee Inspections	# work requests:	76
	CAIDI 2 Projects	# projects:	263
	Worst Performing Circuit Projects	# projects:	16
	Small Planning projects	# projects:	45
	Large Planning projects	# projects:	6
	Miscellaneous Maintenance	man-hours:	198,060
	Line Recloser Replacements	# reclosers:	149
	Underground Equipment Inspections	# locations:	14,300
	Underground Cable Replacement	# feet:	45,000
	Priority Pole Replacements	# poles:	172
	Annual overhead facility inspection, pole inspection, and pole treatment done by contractors	# poles:	17,251
Forestry	Transmission Aerial Saw	# of line miles:	116
	Transmission Aerial Spray	# of acres:	385
	Transmission Ground Spray	# of acres:	2,282
	Transmission Tree Work	# of line miles:	128
	Subtransmission ROW Vegetation Maintenance	# of sub-transmission "Jobs":	567
	Distribution ROW Vegetation Maintenance	# line miles:	1223
Transmission	Transmission Comprehensive Patrol	# transmission lines:	4
	Transmission General Patrol	# transmission lines:	121
	SS Work (Preventative maintenance only)	man-hours:	19,865

52 Pa. Code 57.195 (b)(10)

Transmission and Distribution 2010 O&M Expense Budget by FERC Account

AP does not budget by FERC account in its current financial reporting system. Following is the 2010 transmission & distribution operations & maintenance expense budget as available from AP's financial reporting system:

O&M Category	2010 Budget
.....Distribution Admin_CC	\$ (565,477)
.....Distribution System	\$ 2,106,849
.....Asset Management_CC	\$ 711,574
.....Distribution Support_CC	\$ 31,956,409
.....Field Operations_CC	\$ 15,127,332
.....Distribution Forestry_CC	\$ 8,635,879
.....Transmission Other_CC	\$ 641,297
.....Substations_CC	\$ 4,401,368
.....Technical Services - Delivery_CC	\$ 3,407,731
.....Transmission Forestry_CC	\$ 1,911,370
.....Transmission Projects_CC	\$ 498,316
.....Transmission Siting_CC	\$ 781,264
.....EHV Projects_CC	
.....Dist Safety Training Quality	\$ 569,012
.....Trans Reliability & System	\$ 226,343
.....EMS Support_CC	\$ 1,141,308
.....Transmission System	\$ 1,924,292
.....Transmission Operations	\$ 143,546
Total	\$ 73,618,412

52 Pa. Code 57.195 (b)(11)

Transmission and Distribution 2010 Capital Expenditure Budget by FERC Account

AP does not budget by FERC account in its current financial reporting system. Following is the 2010 capital expenditure budget as available from AP's capital project system for Pennsylvania.

Plant code	Category	2010 Budget
3	EHV Substation	\$ 3,551,667
4	EHV Lines	\$ 2,527,055
5	Transmission Substations	\$ 2,707,247
6	Transmission Lines	\$ 2,799,267
7	Distribution Substations	\$ 10,793,445
8	Distribution Lines	\$ 42,261,186
9	General Plant	\$ 8,070,235
11	Subtransmission Lines	\$ 190,874
	Total	\$ 72,900,977

52 Pa. Code 57.195 (b)(12)**Transmission and Distribution Inspection and Maintenance Program Changes**

There were no program changes.

Appendix I - Major Event Exclusion Approvals



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

March 18, 2009

M-2009-2093220

JAMES E. BARRELL
ALLEGHENY POWER
800 CABIN HILL DRIVE
GREENSBURG, PA 15601

Re: Request to the Pennsylvania Public Utility Commission for Exclusion of Major
Outage for Reliability Reporting Purposes

Dear Mr. Barrell:

On February 27, 2009, Allegheny Power (d/b/a West Penn Power Company) filed a request for exclusion of major outage for reliability reporting purposes in accordance with the requirements of the Commission's Order entered May 11, 2004, at M-00991220.

This request relates to service interruptions associated with a line of strong, steady winds and wind gusts that went from west to east through Pennsylvania on February 11, 2009 and lasted through February 12, 2009. Allegheny Power states that the event caused service interruptions beginning February 11, 2009, at 7:16 pm, with full customer restoration on February 15, 2009, at 10:55 pm. Over 136,273 customers had sustained interruptions out of a total customer base of 704,851.

Upon review of the company's filing, it appears that the service interruptions described by Allegheny Power qualify as a major event, as defined in 52 Pa. Code §57.192. Therefore, the request for exclusion of service interruptions for reporting purposes is hereby approved. However, the Commission's approval is contingent upon the possibility that subsequent audits, reviews, and inquiry, in any Commission proceeding, may be conducted, pursuant to 52 Pa. Code §57.197 (relating to Reliability investigations and enforcement).

In addition, this approval will apply only to the matter and parties specifically and clearly defined under this instant filing.

If you are dissatisfied with the resolution of this matter, you may, as set forth in 52 Pa. Code §5.44, file a petition with the Commission within 10 days of the date of this letter.

Sincerely,

James J. McNulty
Secretary

Cc Daniel Scarfoorce, FUS

Appendix II - Transmission and Distribution Inspection/Maintenance Goals Results

Group	Job Type	Unit of Measurement	Goal	Completed	% Complete	Reason for < 100% Goal Attainment
Distribution	Scheduled Circuit Inspection and Maintenance Program	# circuits	95	95	100%	N/A
	Scheduled Circuit Maintenance Work from Employee Inspections	# work requests	76	76	100%	N/A
	Annual Maintenance from Contractor	# work requests	67	20	30%	Deferred low priority work.
	CAIDI 1 Projects	# projects	130	131	101%	N/A
	CAIDI 2 Projects	# projects	403	201	50%	Total estimated dollars for projects coming in higher than budgeted. Delayed projects until 2010.
	Worst Performing Circuit Projects	# projects	26	18	64%	Delayed projects to meet budget requirements.
	Small Planning projects	# projects	29	27	93%	2 projects carried over due to storm event in December. They will be completed by end of first quarter
	Large Planning projects	# projects	8	4	50%	2 projects delayed due to budget constraints. 1 project had several problems at the time of installation. Completed work in the first part of January 2010. 1 project cancelled due to feasibility constraints.
	Miscellaneous Unplanned Improvement Projects	man-hours	26,145	38,269	146%	N/A
	Line Recloser Replacements	# reclosers	207	156	75%	Delayed due to funding needed for emergency recloser, regulator, capacitor replacement company wide
	Underground Equipment Inspections	# locations	9,754	9,066	93%	December storm work may have contributed to not meeting goal
	Underground Cable Replacement	# feet	68,640	69,800	102%	N/A
	Priority Pole Replacements	# poles	265	324	122%	N/A
	Annual overhead facility inspection, pole inspection, and pole treatment done by contractors	# poles	50,904	51,947	102%	N/A
	Forestry	Transmission Aerial Saw	# of line miles	19	58	305%
Transmission Aerial Spray		# of acres	380	284	75%	All scheduled work completed. Original estimate of goal acres was too high.
Transmission Ground Spray		# of acres	2,363	1,713	72%	16 out of 24 of the lines scheduled for ground spray were 100% completed. Planned acres were overestimated on these lines. 1590 acres were estimated and it ended up being only 1515 acres. In addition, only 26% (198 acres) of the balance of the lower voltage transmission work was completed.
Transmission Tree Work		# of line miles	115	93	81%	Corrected Goal number. 8 miles of line were completed by aerial saw (see above) and 14 miles of line were deferred to subsequent years
Subtransmission ROW Vegetation Maintenance		# of sub-transmission "Jobs"	60	37	62%	Subtransmission Line Jobs re-prioritized and re-scheduled to 2010 to apply resources to higher reliability impacting Distribution Lines Jobs in 2009. Re-directed resources also applied to additional Brush Clearing in critical locations.
Distribution ROW Vegetation Maintenance		# line miles	1635	1722	105%	N/A
Transmission	Transmission Comprehensive Patrol	# transmission lines	27	27	100%	N/A
	Transmission General Patrol	# transmission lines	27	27	100%	N/A
	Transmission Pole Inspection	# transmission lines	576	576	100%	N/A
	Transmission Pole Replacement	# transmission poles	2	2	100%	N/A
	SS Work (Preventative maintenance only)	man-hours	20,556	19,957	97%	Manhours shifted to Capital work to support Transmission Reliability

Appendix III - 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:

<u>Index</u>	<u>System Average</u>	<u>Sample Circuit</u>
SAIFI	0.66	<u>Index</u> 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.

$$\begin{aligned} \text{Actual SAIFI / System Average SAIFI} &= 2.32 / 0.66 = 3.52 \\ \text{Actual SAIDI / System Average SAIDI} &= 258.8 / 181.95 = 1.42 \\ \text{Actual CAIDI / System Average CAIDI} &= 176.23 / 275.71 = 0.64 \end{aligned}$$

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

$$\begin{aligned} \text{SF} &= 1 - (0.3 \times (\text{Actual SAIFI} / \text{Average SAIFI})) = 1 - (0.3 * 3.52) = -0.0560 \\ \text{SD} &= 1 - (0.3 \times (\text{Actual SAIDI} / \text{Average SAIDI})) = 1 - (0.3 * 1.42) = 0.5740 \\ \text{CD} &= 1 - (0.3 \times (\text{Actual CAIDI} / \text{Average CAIDI})) = 1 - (0.3 * 0.64) = 0.8080 \end{aligned}$$

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

$$(\text{SF} + \text{SD} + \text{CD}) / 3 = (-0.0560 + 0.5740 + 0.8080) / 3 = 0.4420$$

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

$$((\text{SF} + \text{SD} + \text{CD}) / 3) * \text{ASAI} \times 100 = \text{DCII} = 0.4420 * 0.999769 * 100 = 44.19$$

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Allegheny Power
Quarterly Report for First 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

§ 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 first quarter of 2010. 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.
 - Between February 5th and February 16th, 2010, Allegheny Power experienced a storm event involving heavy, wet snow. Allegheny Power experienced approximately 300,322 customer interruptions, or over 42% of its customers served in Pennsylvania. Restoration was completed over an eleven-day period.
- 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, large regional storms are typically not excluded, even though they often require massive restoration efforts. During the first quarter, AP's Pennsylvania service territory experienced three RS Events January 7, January 17, and January 28. These items are discussed in more detail in section (e)(2).

§ 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 month ending March 2010. 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.

	Approved	Rolling	Rolling	1st qtr 2010
Reliability	Settlement	12-Month	3-Yr Avg.	Performance
Indices	Benchmarks	Standard	Standard	(Rolling 12-month)
SAIFI	1.05	1.26	1.16	0.92
CAIDI	170	204	187	163
SAIDI	179	257	217	151

Data supporting indices:

Zone	Locations	Incident Devices	Interrupted Customers	Avg Cust Served	kVA	Calls	CMI	SAIDI	ASAI	CAIDI	SAIFI
Pennsylvania	9,108.0	13,491.0	655,803	710,002	6,721,111	88,690	107,200,939	151	0.999713	163	0.92

Discussion supporting statistics:

Analysis of 1st Quarter 2010 Statistics:

RS Events affecting AP's PA service centers in the 1st quarter 2010 totaled 4,884 customers interrupted 930,148 CMI. These events are included in statistics and in addition to the Major Event.

§ 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 five percent 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 the 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 quarterly. 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 65% of all customer interruptions are caused by non-equipment-related causes. Also note that 88% of customer minutes 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 Mar 10		Customers Interrupted 12 Month ending Mar 10		Customers Minutes Interrupted 12 Month ending Mar 10	
	Number	Percent	Number	Percent	Number	Percent
Animals	1,181	8.8%	25,812	3.9%	2,474,587	2.3%
Overhead Equipment Failure						
Overhead Line Equipment	1,012	7.5%	24,508	3.7%	2,803,979	2.6%
Overhead Line Material	1,611	11.9%	85,410	13.0%	9,910,200	9.2%
Overhead Wire	1,019	7.6%	57,128	8.7%	5,627,592	5.2%
Underground Equipment						
Underground Line Material	42	0.3%	463	0.1%	97,309	0.1%
Underground Line Equipment	80	0.6%	676	0.1%	148,727	0.1%
Underground Cable	326	2.4%	8,299	1.3%	1,995,850	1.9%
Service Equipment	20	0.1%	2,482	0.4%	45,717	0.0%
Substation Equipment	275	2.0%	48,202	7.4%	3,510,256	3.3%
Other	129	1.0%	7,150	1.1%	914,820	0.9%
Public/Customer	1,323	9.8%	91,696	14.0%	11,207,274	10.5%
Trees						
On Right of Way	518	3.8%	26,579	4.1%	5,726,507	5.3%
Off Right of Way	3,057	22.7%	151,874	23.2%	41,114,790	38.4%
Unknown	1,387	10.3%	55,786	8.5%	5,599,744	5.2%
Weather	1,511	11.2%	69,738	10.6%	16,023,589	14.9%
Total	13,491	100%	655,803	100%	107,200,941	100%

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 also 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.)

O&M Category	Actual	Budget
	MarQTD	MarQTD
Distribution Admin_CC	\$ (353,750)	\$ (147,195)
Distribution System Operations_CC	\$ 435,879	\$ 511,976
Asset Management_CC	\$ 1,412	\$ 173,670
Distribution Support_CC	\$ 18,141,546	\$ 5,859,536
Field Operations_CC	\$ 3,087,612	\$ 3,368,466
Distribution Forestry_CC	\$ 1,270,794	\$ 2,153,606
Transmission Other_CC	\$ 319,046	\$ 168,196
Substations_CC	\$ 1,193,183	\$ 1,043,197
Technical Services - Delivery_CC	\$ 661,544	\$ 842,615
Transmission Forestry_CC	\$ 526,267	\$ 422,615
Transmission Projects_CC	\$ 423,774	\$ 115,641
Transmission Siting_CC	\$ 128,357	\$ 149,867
EHV Projects_CC	\$ 5,086	
Dist Safety Training Quality Assurance_CC	\$ 119,813	\$ 117,589
Trans Reliability & System Support_CC	\$ 56,250	\$ 54,305
EMS Support_CC	\$ 242,265	\$ 277,986
Transmission System Operations_CC	\$ 418,643	\$ 470,175
Transmission Operations Admin_CC	\$ 24,425	\$ 35,200
Total	\$ 26,702,145	\$ 15,617,442

Note that negative amounts reflect general supervision and engineering overheads that are billed to external parties. These amounts are offsets to charges that are embedded in all other categories.

§ 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.)

Plant code	Category	YTD Actuals	YTD Budget
Q3	EHV Substation	\$ 437,393	\$ 586,349
Q4	EHV Lines	\$ 45,934	\$ 91,927
Q5	Transmission Substations	\$ 606,305	\$ 701,153
Q6	Transmission Lines	\$ 961,136	\$ 2,722,023
Q7	Distribution Substations	\$ 2,175,445	\$ 3,971,450
Q8	Distribution Lines	\$ 14,211,841	\$ 10,106,132
Q9	General Plant	\$ 1,906,539	\$ 2,602,047
11	Subtransmission Lines	\$ 401,290	-\$ 345,692
	Total	\$ 20,745,882	\$ 20,435,390

§ 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	89
Lineman A Count	47
Lineman C Count	1
Serviceman A Count	73
Serviceman Apprentice Count	2
Serviceman B Count	22
Serviceman C Count	14
SS Crew Leader Maintenance Count	14
SS Electrician A Count	39
SS Electrician Apprentice Count	1
SS Electrician B Count	3
SS Electrician C Count	3
System Transmission Crew Lead LineWorker Count	1
System Transmission Crew Lineworker A Count	3
Utilityman A Count	3
Utilityman B Count	1
Grand Count	316

§ 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.

Quarter	Contract Dollars - Qtr	Contract Dollars - YTD
1 st qtr	\$ 10,535,413	\$ 10,535,413

§ 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 4.2 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 4.8 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. All 2009 pole inspection work has been completed. Approximately 30% of the 2010 pole inspection program was completed in late 2009. Funding for the remainder of the 2010 pole inspection program has been suspended. At this time a firm schedule for the remaining 2010 cycle has not been defined.
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 distribution and sub-transmission facilities inspections associated with the 2010 pole inspection program were completed in late 2009. Funding for the remainder of the 2010 facilities inspection program has been suspended. At this time a firm schedule for the remaining 2010 cycle has not been defined.
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, borings, and treatment if necessary.
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.	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 9/22/2009 meeting
14	PREA/AEC meeting - Identify and agree on mutual delivery points that serve critical services/customers	Discussed at 9/22/2009 meeting
15	PREA/AEC meeting - discuss five "worst performing" Delivery Points	Discussed at 9/22/2009 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	185	49	3.38	392	116	0.99925	72,442	625	3	14	6
Arnold	ALLERIVER	ALLERIVER	181	29	4.91	572	117	0.99891	103,426	887	3	28	13
Arnold	TUNNELTON	TUNNELTON DIST	100	47	3.07	459	149	0.99913	45,896	307	2	11	6
Arnold	WATSON	WATSON	338	39	1.43	600	420	0.99886	202,508	462	1	21	23
Butler	BUENA VISTA	HOOKER	303	35	2.22	699	314	0.99867	212,002	675	-	15	23
Butler	HARRISVILLE	HARRISVILLE	0	100	0.00	-	-	1.00000	-	-	-	-	-
Butler	KARNS CITY	DAUGHERTY	101	35	0.09	98	1,103	0.99981	9,927	9	-	5	6
Charleroi	SMITHTON	HUTCHINSON	857	63	1.91	303	158	0.99942	259,633	1,639	1	21	36
Charleroi	VANCEVILLE	VANCEVILLE	1327	51	2.80	413	148	0.99921	548,445	3,711	2	45	106
Clarion	NEW BETHLEHEM	CLIMAX	1124	61	1.47	333	227	0.99937	374,601	1,653	-	27	78
Hyndman	PURCELL	ARTEMAS	536	45	2.39	538	225	0.99898	288,564	1,280	2	20	99
Jeannette	PENN	GASKILL AVE	1823	28	3.25	764	235	0.99855	1,392,450	5,927	3	55	38
Jeannette	SEWICKLEY	ADAMSBURG	2066	38	4.28	495	116	0.99906	1,022,736	8,634	4	37	42
Jeannette	YOUNGWOOD	HUNKER	702	47	3.08	469	152	0.99911	329,439	2,166	3	28	32
Jefferson	GREENSBORO	POLAND	154	35	1.55	670	434	0.99873	103,208	238	1	14	9
Jefferson	RUTAN	BRISTORIA	1184	39	2.28	629	277	0.99880	745,035	2,694	-	76	193
Jefferson	RUTAN	WINDRIDGE	1326	48	1.88	511	271	0.99903	677,440	2,500	2	60	179
Latrobe	STAHLSTOWN	KREAGER	275	(25)	7.55	1,273	169	0.99758	349,718	2,075	1	52	26
Latrobe	STAHLSTOWN	MANSVILLE	499	55	3.14	323	103	0.99939	161,330	1,569	1	24	41
McConnellsburg	CLEARVILLE	CLEARVILLE	608	37	3.1	628	202	0.99939	381,784	1866	2	28	107
McConnellsburg	EMMAVILLE	STONEY BREAK	364	50	2.95	425	144	0.99919	154,557	1,073	2	13	55
McConnellsburg	WARFORDSBURG	BUCK VALLEY	791	78	0.35	98	280	0.99981	77,246	276	-	17	91
McDonald	HICKORY	HICKORY	929	83	0.61	91	151	0.99983	84,950	563	-	20	72
McDonald	SMITH	FLORENCE	780	40	3.66	517	141	0.99902	403,119	2,856	2	46	80
Pleasant Valley	IRON BRIDGE	ALVERTON	684	5	5.11	988	193	0.99812	675,531	3,498	5	27	26
Pleasant Valley	KING FARM	BELSON RUN	458	69	1.67	225	135	0.99957	103,144	766	-	19	19
St Marys	CARBON CENTER	BUCKTAIL	650	88	0.74	53	72	0.99990	34,714	480	-	20	39
St Marys	DRIFTWOOD	DRIFTWOOD	966	44	2.62	537	205	0.99898	518,641	2,535	2	14	64
St Marys	WEEDVILLE	BYRNEDALE	408	55	1.11	388	349	0.99926	158,461	454	1	9	21
St Marys	WEEDVILLE	WEEDVILLE	1349	49	1.25	468	374	0.99911	630,882	1,688	1	26	77
State College	FOWLER	BALD EAGLE	404	(26)	3.43	1,662	485	0.99684	672,201	1,366	2	43	42
State College	NITTANY NO. 2	CLINTONDALE	704	(4)	1.19	1,055	885	0.99799	742,483	838	1	19	30
State College	NITTANY NO. 2	NITTANY	517	32	2.38	731	308	0.99861	377,935	1,229	4	44	34
State College	PORT MATILDA	PORT MATILDA	1390	48	1.00	447	445	0.99915	620,999	1,395	-	49	102
State College	WATERVILLE	WATERVILLE	350	(127)	8.98	3,121	347	0.99406	1,092,176	3,143	6	33	20
Uniontown	EAST MILLSBORO	EAST MILLSBORO	176	24	4.02	759	189	0.99856	133,657	707	4	13	16
Uniontown	HENRY CLAY	MARKLEYSBURG	1064	20	4.71	780	161	0.99855	808,513	5,015	3	40	67
Uniontown	SUMMIT	SUMMIT(SEATON RD.)	293	26	4.76	660	138	0.99874	193,297	1,396	4	23	28
Washington	AVELLA	W MIDDLETOWN	1133	73	0.75	184	244	0.99965	208,781	855	-	27	107
Washington	LAGONDA	CLUB FORTY	891	64	1.85	283	153	0.99946	252,379	1,652	2	21	36
Washington	LAGONDA	LAGONDA	1380	86	0.42	60	143	0.99989	82,962	582	-	42	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	Review planned.
Arnold	ALLRIVER	ALLRIVER	Three incidents accounted for 85% of the CMI on this small circuit. Trees trimmed in 2009. Circuit review planned. 2009 CAIDI Review	Review planned.
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	Review planned.
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 2009. 2009 CAIDI Review	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 occasions accounted for 60% of the cmi on the circuit. Tree trimming being evaluated for 2011. 2008 CAIDI completed	Review planned.
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	Review planned.
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	GASKILL 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 reconfiguration 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.	Review planned.
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.
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	Review planned.
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.

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

BCName	BBName	CktName		
McConnellsburg	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.
McConnellsburg	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. 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 county 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.	The Stoneybreak circuit is due for a Circuit Review in 2010 as well as a full blown CAIDI in 2011.
McConnellsburg	WARFORDSBURG	BUCK VALLEY	Public vehicles hitting poles accounted for nearly 1/2 of the cmi on this circuit. Trees trimmed in 2009. 2009 CAIDI Completed.	This circuit was coordinated and had a full CAIDI completed on it in 2007. A tie line is being proposed for the 2011 budget to eliminate a section of line that is difficult to scout and work on.
McDonald	HICKORY	HICKORY	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 2008 Reconducting project completed.	Monitor reliability. Circuit is performing well outside of public causes.
McDonald	SMITH	FLORENCE	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	IRON BRIDGE	ALVERTON	One isolated incident accounted for over 80% of the cmi on this circuit. 2010 CAIDI planned.	Isolated incident. Monitor reliability.
Pleasant Valley	KING FARM	BELSON RUN	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	CARBON CENTER	BUCKTAIL	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	DRIFTWOOD	DRIFTWOOD	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.	Isolated incident. Monitor reliability.
St Marys	WEEDVILLE	BYRNEDALE	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. Outage causes outside AP control.
St Marys	WEEDVILLE	WEEDVILLE	Three incidents accounted for nearly all (87%) of the CMI on the circuit. Circuit review planned. 2008 CAIDI completed.	Monitor reliability. Evaluate tree trimming for 2011.
State College	FOWLER	BALD EAGLE	Almost 90% of the annual CMI occurred on one lockout due to a failed substation transformer insulator. 2008 CAIDI completed.	Review planned.
State College	NITTANY NO. 2	CLINTONDALE	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	NITTANY NO. 2	NITTANY	Two isolated incidents accounted for 87% of the cmi on this circuit. Circuit review planned. Tree trimming being evaluated for 2011. Circuit conducting in 2010. 2008 CAIDI completed.	Isolated incident. Monitor reliability.
State College	PORT MATILDA	PORT MATILDA	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.	Monitor reliability. Evaluate tree trimming for 2011. Reconducting in progress.
State College	WATERVILLE	WATERVILLE	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.	CAIDI work completed in 2008. Tree trimming performed in 2009. Monitor reliability.
Uniontown	EAST MILLSBORO	EAST MILLSBORO	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 2008 to install VLRs on Markleysburg circuit for improved reliability.	Review planned.
Uniontown	HENRY CLAY	MARKLEYSBURG	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. Evaluate tree trimming for 2011.
Uniontown	SUMMIT	SEATON RD	Weather effects accounted for nearly 1/2 of the cmi on this circuit. Tree trimming being evaluated for 2011. 2008 CAIDI completed.	Monitor reliability. Circuit is performing well outside of public causes.
Washington	AVELLA	W MIDDLETOWN	Off right-of-way trees accounted for approximately 1/2 of the cmi and snow and public vehicles accounted for 20% each. Trees trimmed in 2008. 2008 CAIDI completed.	Monitor reliability. Evaluate tree trimming for 2011.
Washington	LAGONDA	CLUB FORTY	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. Outage causes outside AP control.
Washington	LAGONDA	LAGONDA		Monitor reliability. Circuit is performing well outside of public causes.

Appendix III – Goals Progress

Job Type	Unit of Measurement	Goal	Completed	% Complete
Scheduled Circuit Inspection and Maintenance Program	# circuits	57	30	53%
Scheduled Circuit Maintenance Work from Employee Inspections	# work requests	76	19	25%
CAIDI 2 Projects	# projects	263	126	48%
Worst Performing Circuit Projects	# projects	16	1	6%
Small Planning projects	# projects	45	3	7%
Large Planning projects	# projects	6	1	17%
Miscellaneous Maintenance	man-hours	198,060	58,240	29%
Line Recloser Replacements	# reclosers	149	53	36%
Underground Equipment Inspections	# locations	14300	2,662	19%
Underground Cable Replacement	# feet	45000	250	1%
Priority Pole Replacements	# poles	172	82	48%
Annual overhead facility inspection, pole inspection, and pole treatment done by contractors	# poles	17,251	17,251	100%
Transmission Aerial Saw	# of line miles	116	0	0%
Transmission Aerial Spray	# of acres	385	0	0%
Transmission Ground Spray	# of acres	2282	0	0%
Transmission Tree Work	# of line miles	128	7	5%
Subtransmission ROW Vegetation Maintenance	# of sub-transmission "Jobs"	567	39	7%
Distribution ROW Vegetation Maintenance	# line miles	1223	223	18%
Transmission Comprehensive Patrol	# transmission lines	4	4	100%
Transmission General Patrol	# transmission lines	121	-	0%
SS Work (Preventative maintenance only)	man-hours	19,865	-	0%

Appendix IV – Callout Acceptance

Allegheny Power		2010		
Pennsylvania Local 102				
Linemen				
Service Center	No. of Calls	Jan, Feb, Mar		Average
		No.	Accepted	
Arnold	433	96		22%
Boyce	353	123		35%
Butler	390	103		26%
Charleroi	428	133		31%
Clarion	98	40		41%
Jeannette	370	82		22%
Jefferson	402	112		28%
Kittanning	166	81		49%
Latrobe	459	129		28%
McConnellsburg	137	65		47%
McDonald	198	77		39%
Pleasant Valley	280	137		49%
St. Mary's	142	75		53%
State College	364	138		38%
Uniontown	347	116		33%
Washington	466	113		24%
Waynesboro	573	165		29%
Total AP Average	5606	1785		32%
Electricians				
Service Center	No. of Calls	Jan, Feb, Mar		Average
		No.	Accepted	
Arnold	35	25		71%
Boyce	40	21		53%
Butler	47	23		49%
Charleroi	76	28		37%
Jeannette	33	6		18%
Jefferson	61	23		38%
Kittanning	34	19		56%
Latrobe	46	20		43%
Pleasant Valley	50	26		52%
St. Mary's	27	17		63%
State College	62	13		21%
Washington	36	9		25%
Waynesboro	51	9		18%
Total AP Average	598	239		40%
Total Combined AP Average	6204	2024		33%

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:

<u>Index</u>	<u>System Average</u>	<u>Sample Circuit</u> <u>Index</u>
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.

$$\begin{aligned} \text{Actual SAIFI / System Average SAIFI} &= 2.32 / 0.66 = 3.52 \\ \text{Actual SAIDI / System Average SAIDI} &= 258.8 / 181.95 = 1.42 \\ \text{Actual CAIDI / System Average CAIDI} &= 176.23 / 275.71 = 0.64 \end{aligned}$$

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

$$\begin{aligned} SF &= 1 - (0.3 \times (\text{Actual SAIFI} / \text{Average SAIFI})) = 1 - (0.3 \times 3.52) = -0.0560 \\ SD &= 1 - (0.3 \times (\text{Actual SAIDI} / \text{Average SAIDI})) = 1 - (0.3 \times 1.42) = 0.5740 \\ CD &= 1 - (0.3 \times (\text{Actual CAIDI} / \text{Average CAIDI})) = 1 - (0.3 \times 0.64) = 0.8080 \end{aligned}$$

- 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.

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

Appendix VI – Major Event



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IF REPLY PLEASE
REFER TO OUR FILE

March 17, 2010

M-2010-2162243

JAMES E. BARRELL
RELIABILITY ENGINEER
ALLEGHENY POWER
800 CABIN HILL DRIVE
GREENSBURG, PA 15601

Re: Request to the Pennsylvania Public Utility Commission for Exclusion of Major Outage for Reliability Reporting Purposes

Dear Mr. Barrell:

On March 1, 2010, Allegheny Power (d/b/a West Penn Power Company) filed a request for exclusion of major outage for reliability reporting purposes in accordance with the requirements of the Commission's Order entered May 11, 2004, at M-00991220. On March 3, 2010, Allegheny Power voluntarily extended the consideration period for the request for [redacted] exclusion to April 1, 2010.

This request relates to service interruptions associated with a severe snowstorm that affected south western Pennsylvania on February 5, 2010 and lasted through February 16, 2010. Allegheny Power states that the event caused service interruptions beginning February 5, 2010, at 5:04 pm, with full customer restoration on February 16, 2010, at 7:10 pm. Over 300,000 customers had sustained interruptions out of a total customer base of 708,940.

Of note, there was a second severe snowstorm on February 10, 2010, which caused some additional service outages and delayed the restoration of the service outages from the storm on February 5, 2010. Based on the outage reports submitted to the Commission via email and phone by Allegheny Power throughout the restoration, the number of outages did not significantly increase as a result of the February 10, 2010 storm. However, the estimated times of restoration were extended for several of the areas affected by the February 5, 2010 storm. Thus the February 10, 2010 storm did not cause a separate outage event that would necessitate a modification of the request for exclusion, but it did delay the restoration of the service outages from the February 5, 2010 storm. Therefore the request for exclusion of major outage for reliability reporting purposes will be approved for the service interruptions beginning February 5, 2010, at 5:04 pm, with full customer restoration on February 16, 2010, at 7:10 pm.

Upon review of the company's filing, it appears that the service interruptions described by Allegheny Power qualify as a major event, as defined in 52 Pa. Code §57.192. Therefore, the request for exclusion of service interruptions for reporting purposes is hereby approved. However, the Commission's approval is contingent upon the possibility that subsequent audits, reviews, and inquiry, in any Commission proceeding, may be conducted, pursuant to 52 Pa. Code §57.197 (relating to Reliability investigations and enforcement).

In addition, this approval will apply only to the matter and parties specifically and clearly defined under this instant filing.

If you are dissatisfied with the resolution of this matter, you may, as set forth in 52 Pa. Code §5.44, file a petition with the Commission within 10 days of the date of this letter.

Sincerely,

James J. McNulty
Secretary

Cc Daniel Searforce, FUS
Dennis Hosler, Audits
Blaine Loper, CEEP
Darren Gill, CEEP
Elaine McDonald, FUS
Kathleen Amkst, Secretary's Bureau

**Re: 2009 Allegheny Power Annual Reliability Report;
2010 First Quarter Reliability Report of Allegheny Power**

CERTIFICATE OF SERVICE

I certify that this 29th day of April, 2010, I have served a true and correct copy of the
Reliability Reports of Allegheny Power, by first-class mail, postage prepaid, upon the following:

Office of the Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101

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

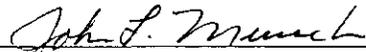
Scott J. Rubin, Esquire
Utility Workers Union of America
333 Oak Ln.
Bloomsburg, PA 17815

RECEIVED

APR 29 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Date: April 29, 2010



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