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Allegheny Energy

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L-000 30161

April 30, 2004

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APR 30 2004

VIA FEDERAL EXPRESS

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

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

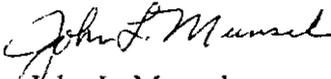
**Re: 2003 Annual Reliability Report and
First Quarter 2004 Reliability Report of Allegheny Power**

Dear Secretary McNulty:

Enclosed please find an original and five (5) copies of the 2003 Annual Reliability Report and an original and five (5) copies of the First Quarter 2004 Reliability Report of Allegheny Power. These reports are filed by Federal Express and are deemed filed today, April 30, 2004. Copies have been served on the Office of Consumer Advocate and the Office of Small Business Advocate.

DOCUMENT
FOLDER

Very truly yours,


John L. Munsch
Attorney

cc: Thomas E. Sheets
Pennsylvania Public Utility Commission - Bureau of Audits

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APR 30 2004

Allegheny Power
Quarterly Report for First Quarter 2004
Pennsylvania Public Utility Commission
52 Pa. Code Section 57.192
Proposed Reporting Requirements

PA PUBLIC UTILITY COMMISSION
 SECRETARY'S BUREAU

L-00030161

This quarterly report is being submitted according to the proposed format contained in the rulemaking at Docket No. L-00030161. The following report provides available information in the proposed format with the understanding that reporting requirements may change.

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1. Description of major events during the preceding quarter.
 - a. The following Major Events occurred during the first quarter of 2004. 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 events is attached as Appendix V in form of final 'Distribution System Outage Reports' reports as previously issued to the Commission.
 - i. There were no Major Events in the first quarter.
 - c. Allegheny Power's Restore Service Process Management Team constantly monitors the process and conducts post-event meetings in an attempt to enhance the restoration process for future events.

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2. Rolling 12-month reliability index values (SAIDI, CAIDI, SAIFI, and, if available, MAIFI) for the electric distribution company's service territory for the preceding quarter.
 - a. The following table provides Pennsylvania's 12-month ending reliability statistics for month ending March 2004.
 - b. 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.

Zone	Incidents	Interrupted Customers	Avg Cust Served	kVA	Calls	CMI	SAIDI	ASAI	CAIDI	SAIFI
Pennsylvania	18,068	845,096	683,028	8,121,135	136066	183,791,948	269	0.999489	217	1.23

3. Rolling 12-month reliability index values for worst performing 5% of the circuits in the system.
 - a. This report provides a listing of all Pennsylvania circuits ranking in the lowest five percent as ranked by the Distribution Circuit Interruption Index (DCII). The data is ranked by DCII and includes all of the standard indices. The report is attached as Appendix I.

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- b. Distribution Circuit Interruption Index is a composite index based on the SAIFI, CAIDI, SAIFI, and ASAI (see the description of the calculation of this index in Appendix IV).
4. Specific remedial efforts taken and planned for the 5% worst performing circuits.
- 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 three or more lockouts/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. In addition to the process described above, poor performing circuits are ranked by DCII. Field personnel review these circuits quarterly. After the third quarter reporting is complete, 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 also initiated a Reliability Improvement Initiative (RIPInit) for 2004 to review over-current protection on poor performing and high-density distribution circuits. This initiative will focus on installing additional sectionalizing equipment to reduce main line exposure and to minimize the number of customers impacted by forced interruptions. Many of these RIPInit circuits are also on the worst performing circuit list.
5. A breakdown and analysis of outage causes during the preceding quarter.
- a. A summary of outage causes by customers interrupted and by customer minutes interrupted follows.
 - b. Note that 72% of all customer interruptions are caused by non-equipment-related causes. Also note that 97% of customers interrupted by trees are a result of trees falling from outside of the right-of-way.
 - c. AP's definition of tree-related outages includes those cases where trees have fallen as a result of severe weather conditions.
 - d. 'Weather' definition includes weather-related outages involving lightning damage, severe snow/ice loading, extreme wind, flooding, etc. and **does not** include tree-related outages.

Outage Cause	Customers Interrupted 12 Month ending March 04		Customers Minutes Interrupted 12 Month ending March 04	
	Number	Percent	Number	Percent
Animals	38,144	4.5%	4,247,358	2.3%
Overhead Equipment Failure				
Overhead Line Equipment	22,173	2.6%	4,146,637	2.3%
Overhead Line Material	107,822	12.8%	16,220,695	8.8%
Overhead Wire	68,516	8.1%	11,120,224	6.1%
Underground Equipment				
Underground Line Material	2,647	0.3%	568,578	0.3%
Underground Line Equipment	1,403	0.2%	763,973	0.4%
Underground Cable	13,506	1.6%	3,730,830	2.0%
Service Equipment	128	0.0%	25,376	0.0%
Substation Equipment	20,684	2.4%	2,599,602	1.4%
Other	11,867	1.4%	1,939,787	1.1%
Public/Customer	111,525	13.2%	21,802,507	11.9%
Trees				
On Right of Way	12,275	1.5%	2,176,360	1.2%
Off Right of Way	226,579	26.8%	67,766,607	36.9%
Unknown	90,130	10.7%	11,316,590	6.2%
Weather	117,697	13.9%	35,366,823	19.2%
Total	845,096	100%	183,791,947	100%

6. Quarterly and year-to-date information on progress toward meeting transmission and distribution inspection and maintenance goals/objectives.
 - a. A report attached as Appendix II provides a listing of updates to the planned Ensure Reliable Service work for 2004. The information is subdivided by ERS Program.

7. Quarterly and year-to-date information on budgeted versus actual transmission and distribution operation and maintenance expenditures.

T&D Unit	2004 Budget	Q1 Actual
Dispatching	\$ 1,494,380	\$ 341,478
Forestry	\$ 16,440,612	\$ 3,816,745
Lines Operations	\$ 20,494,482	\$ 5,107,599
Line Services	\$ 5,658,226	\$ 858,115
Metering and System Protection	\$ 2,717,844	\$ 611,757
Projects	\$ 347,250	\$ 61,754
Substations	\$ 9,947,895	\$ 1,913,466
System Operations	\$ 2,478,111	\$ 545,539
System Planning	\$ 1,506,802	\$ 377,335
Grand Total	\$ 61,085,602	\$ 13,633,788

8. Quarterly and year-to-date information on budgeted versus actual transmission and distribution capital expenditures.

	Q1 Budget	Q1 Actual
T&D Capital	\$ 11.3	\$ 10.9

9. Dedicated staffing levels for transmission and distribution operation and maintenance at the end of the quarter, in total and by specific category.
- a. Staffing levels for the first each quarter of 2004 follows:

Year	Number of Linemen	Number of Electricians
1 st qtr 2004	308	60

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
1 st qtr & YTD	\$2,138,521

11. Monthly call-out acceptance rate for transmission and distribution workers.
- a. Attached as Appendix III is a report indicating call out acceptance for 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.

Appendix I – Distribution Circuit Ranking

SCName	SSName	CktName	CustServed	DCII	SAIFI	SAIDI	CAIDI	ASAI	CMI	CustIntrp	CircuitLockouts	Incidents	Miles
Washington	LAGONDA	CLUB FORTY	850	-12	1.65	4,888	190	0.99070	266,780	1,404	1	39	36
Arnold	KISKI VALLEY DISTRIB	LUDESCO	419	-94	4.16	3,052	733	0.99420	1,281,938	1,750	1	45	24
Arnold	LOGANS FERRY NO. 2	LOGANS FERRY	239	-53	1.01	1,676	1,659	0.99680	401,468	242	1	4	3
Jeannette	HUNTINGDON	SCOTCH HILL	737	-26	2.08	1,709	821	0.99680	1,260,078	1,534	0	43	23
Arnold	MATEER	DIME RD	1140	-24	4.73	1,628	344	0.99690	1,856,390	5,396	3	71	103
Jeannette	WHITE VALLEY	BORLANDS RD	638	-23	4.07	1,670	411	0.99680	1,067,740	2,600	3	36	26
McConnellsburg	WARFORDSBURG	BUCK VALLEY	743	-18	3.35	1,622	487	0.99690	1,214,644	2,493	0	67	88
Jefferson	RUTAN	BRISTORIA	1151	-17	2.92	1,619	556	0.99690	1,872,355	3,367	0	89	189
McDonald	PARIS	PARIS	763	-16	6.44	1,229	191	0.99770	941,499	4,923	6	30	34
Washington	HOUSTON	MCGOVERN	1484	-12	2.42	1,523	629	0.99710	2,264,813	3,600	0	88	67
Charleroi	SMITHTON	HUTCHINSON	857	-12	7.44	976	131	0.99810	838,879	6,368	4	43	36
Butler	PARKER	PARKER	984	-12	4.07	1,453	355	0.99720	1,429,919	4,018	3	32	36
Claron	WIDNOON	TIDAL	326	-6	5.59	1,155	207	0.99780	377,399	1,826	4	16	31
Jeannette	YOUNGWOOD	ARMBRUST	748	-5	4.16	1,304	314	0.99750	978,174	3,120	3	33	32
Claron	NEW BETHLEHEM	CLIMAX	1104	-3	5.03	1,175	233	0.99780	1,298,889	5,571	3	56	76
Kittanning	TROY HILL	IRON BRIDGE	634	0	2.99	1,316	441	0.99750	839,087	1,901	1	36	38
Boyce	CECIL	MURRAY HILL	1563	2	3.51	1,247	355	0.99760	1,951,705	5,504	2	64	26
Arnold	KISKI VALLEY DISTRIB	WENELS CROSSROADS	1089	5	3.66	1,167	314	0.99780	1,255,179	4,000	4	44	12
Charleroi	WESTRAVER	WEST NEWTON	1713	9	2.60	1,165	447	0.99780	1,996,979	4,470	2	39	38
McDonald	HICKORY	FORT CHERRY	1090	11	5.59	792	142	0.99850	865,074	6,103	2	70	69
Washington	LAGONDA	HATHAWAY	1021	12	3.05	1,100	361	0.99790	1,127,015	3,118	1	117	77
Arnold	VANDERGRIFT	AIRPORT	570	13	2.37	1,101	465	0.99790	629,398	1,353	2	37	22
Jeannette	ROBENS	BRADDOCKS TRAIL	1222	13	2.13	1,095	587	0.99790	1,324,785	2,613	2	27	26
Butler	BUTLER	CENTER AVE	1680	14	0.49	600	1,241	0.99890	1,003,827	809	0	37	45
St Marys	PAPER CITY	COMMERCIAL 12KV	772	15	0.01	12	1,833	1.00000	9,166	5	0	3	9
Jeannette	BYERLY CREST	BLUE DELL	1038	15	4.28	903	211	0.99830	940,599	4,452	3	55	17
Butler	SHERWIN	WEST SUNBURY	748	16	1.46	986	679	0.99810	744,033	1,095	1	22	43
McDonald	NORTH FAYETTE	TYRE	952	18	3.08	982	316	0.99810	926,831	2,933	0	86	54
McDonald	NORTH FAYETTE	CLIFF MINE	830	18	3.59	935	258	0.99820	769,914	2,982	2	22	10
Uniontown	MAXWELL	MAXWELL	220	18	3.52	934	266	0.99820	206,741	776	3	17	6
Washington	AVELLA	W MIDDLETOWN	1052	19	1.75	981	561	0.99810	1,033,288	1,843	0	96	102
Arnold	MATEER	SOUTH BEND	1151	19	4.22	843	200	0.99840	971,360	4,863	2	78	93
Arnold	KISKI VALLEY DISTRIB	KITTANNING ROAD	1749	19	3.60	917	255	0.99830	1,606,582	6,300	2	49	61
McConnellsburg	WHITTAIL	RESORT	260	20	0.99	817	822	0.99840	212,917	259	0	11	25
Butler	HILLIARDS	HILLIARDS	879	20	3.05	942	311	0.99820	835,552	2,683	2	39	63
Butler	BUENA VISTA	CHICORA	1104	21	3.71	875	235	0.99830	964,148	4,098	3	51	51
Butler	EAST BRADY	BRADY	608	21	3.32	898	273	0.99830	552,169	2,020	3	31	12
Butler	HERMAN	HERMAN	784	22	3.71	852	231	0.99840	674,508	2,915	2	17	39
Washington	GALLEY	WATERDAM	1527	22	1.17	845	719	0.99840	1,283,272	1,784	0	54	27
Washington	AMTY	AMTY	497	23	2.34	933	368	0.99820	463,787	1,166	1	30	57

Appendix II – Goals Progress

2004 Goals - Pennsylvania - Complete Planned ERS Work				
Results as of: March 31				
ERS Program/Project	Unit of Measurement	Target for 2004	Actual Completed	% Completed
Forestry ERS Goals				
Transmission Herbicide Application	# Transmission Lines	18	0	0.0%
Transmission Lines Trimming and Clearing	# Transmission Lines	42	2	7.1%
Subtransmission Herbicide Application	# of Subtransmission Lines	48	1	2.3%
Subtransmission Line Trimming and Clearing	# of Subtransmission Lines	103	3	5.2%
Distribution Line Trimming, Clearing & Herbicide Applic.	# of Distribution Line Miles	5,843	1,138	20.0%
Transmission Lines ERS Goals				
Major ERS SS Projects	# Projects	1	-	0.0%
Major ERS Lines Projects	# Projects	2	0.70	35.0%
Transmission Comprehensive Patrol	# Transmission Lines	14	13	92.9%
Transmission General Patrol	# Transmission Lines	139	0	0.0%
Ground & Footer Inspections	# Transmission Lines	13	0	0.0%
Pole Inspection	# Transmission Lines	10	0	0.0%
Critical Transmission Repairs	# Critical Items	1	1	100.0%
Priority Transmission Repairs	# Priority Items	3	0	0.0%
Non-Critical Transmission Repairs	# Non-Critical Items	28	2	6.9%
Substation ERS Goals				
SS Work (Includes Capital, Planned, & Preventative)	Man-Hours	70,498	13,144	18.6%
SS Spraying	# Substations	710	-	0.0%
Controls Work (Includes Cap., Planned, & Preventative)	Man-Hours	13,952	2,441	17.5%
OH Distribution Lines ERS Goals				
Subtransmission General Patrol	# Subtransmission Lines	418	0	0.0%
Individual ERS Budget Projects	Man-Hours	9,250	1,700	15.4%
Small Planning Projects	Man-Hours	33,874	5,953	17.6%
Pole Inspection	# of Circuits	39	0	0.0%
Danger Poles	# Danger Poles	11	2	18.2%
Reject Poles	# Reject Poles	235	106	45.1%
AIM Work	Points Completed	1,836	1,056	57.5%
RIP Program	Manhours	18,700	5,004	26.8%
UG Equipment Inspections	# Locations	7,156	3,302	46.3%
Recloser Inspections	# Reclosers	3,700	2,487	67.2%
Regulator Inspections	# Regulators	225	157	69.8%
Capacitors Inspections	# Capacitors	1,194	876	73.4%
Recloser Replacements	# Reclosers	253	49	19.4%
Structured Maintenance - Street Lights	# Street Lights	3,177	331	10.4%
UGD Distribution Lines ERS Goals				
UGD Cable Replacement	# Feet	12,200	514	4.2%
Cable Injection	# Feet	100,000	6,880	6.9%

Appendix III – Callout Acceptance

Allegheny Power 2004

(Pennsylvania Local) 102

Linemen

Service Center	Jan, Feb, Mar			Apr, May, Jun			Jul, Aug, Sep			Oct, Nov, Dec			YTD		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	235	68	29%	0	0		0	0		0	0		235	68	29%
Boyce	340	108	32%	0	0		0	0		0	0		340	108	32%
Butler	312	83	27%	0	0		0	0		0	0		312	83	27%
Charleroi	213	90	42%	0	0		0	0		0	0		213	90	42%
Clarion	41	11	27%	0	0		0	0		0	0		41	11	27%
Jeannette	719	98	14%	0	0		0	0		0	0		719	98	14%
Jefferson	299	70	23%	0	0		0	0		0	0		299	70	23%
Kittanning	103	31	30%	0	0		0	0		0	0		103	31	30%
Latrobe	279	102	37%	0	0		0	0		0	0		279	102	37%
McConnellsburg	54	25	46%	0	0		0	0		0	0		54	25	46%
McDonald	83	22	27%	0	0		0	0		0	0		83	22	27%
Pleasant Valley	48	16	33%	0	0		0	0		0	0		48	16	33%
St. Mary's	80	24	30%	0	0		0	0		0	0		80	24	30%
State College	331	55	17%	0	0		0	0		0	0		331	55	17%
Uniontown	350	88	25%	0	0		0	0		0	0		350	88	25%
Washington	469	75	16%	0	0		0	0		0	0		469	75	16%
Waynesboro	364	93	26%	0	0		0	0		0	0		364	93	26%
Total AP Average	4320	1059	25%	0	0		0	0		0	0		4320	1059	25%

Electricians

Service Center	Jan, Feb, Mar			Apr, May, Jun			Jul, Aug, Sep			Oct, Nov, Dec			YTD		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	13	8	62%	0	0		0	0		0	0		13	8	62%
Boyce	6	5	83%	0	0		0	0		0	0		6	5	83%
Butler	14	6	43%	0	0		0	0		0	0		14	6	43%
Charleroi	17	8	47%	0	0		0	0		0	0		17	8	47%
Jeannette	25	9	36%	0	0		0	0		0	0		25	9	36%
Jefferson	13	5	36%	0	0		0	0		0	0		13	5	38%
Kittanning	3	3	100%	0	0		0	0		0	0		3	3	100%
Latrobe	11	7	64%	0	0		0	0		0	0		11	7	64%
Pleasant Valley	24	9	38%	0	0		0	0		0	0		24	9	38%
St. Mary's	10	7	70%	0	0		0	0		0	0		10	7	70%
State College	9	7	78%	0	0		0	0		0	0		9	7	78%
Washington	16	5	31%	0	0		0	0		0	0		16	5	31%
Waynesboro	17	8	47%	0	0		0	0		0	0		17	8	47%
Total AP Average	178	87	49%	0	0		0	0		0	0		178	87	49%

Total Combined AP Average	4498	1146	25%	0	0		0	0		0	0		4498	1146	25%
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Appendix IV – Sample DCII Calculation

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 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:

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

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

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

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

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

Appendix V – Major Event Descriptions

Commission reports for the following major events are presented on the pages following this appendix:

- i. There were no Major Events in the first quarter.

ORIGINAL

Allegheny Power

Annual Transmission and Distribution System Reliability Report

Pennsylvania Public Utility Commission

52 Pa. Code Section 57195

Annual Report for 2003

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APR 30 2004

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

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

Allegheny Power is a member of the East Central Area Reliability Coordination Agreement (ECAR). This Regional Reliability Council prepares a semi-annual assessment of the ECAR bulk Transmission system. The purpose of this assessment is to provide insight into the expected performance of the ECAR bulk transmission system under a wide range of system conditions. The 2004 summer assessment is titled “**2004 Summer Assessment of Transmission System Performance**” (03-TSPP-3). This report will be available upon request from ECAR.

52 Pa. Code §57.195 (b)(1)
Introduction

For calendar year 2003, Allegheny Power utilized the following operating areas as governed under the prior regulations. As such, major storms were excluded from reliability data based upon the requirements at the time. Starting January 1, 2004, storm exclusions and reliability statistical analyses will be completed on a service territory-wide basis as required under the pending modified rulemaking (Docket No. L-00030161).

Operating areas:

1. Allegheny Power (PA) Area
2. Southwest Operating Area
 - a. Boyce Service Center
 - b. Charleroi Service Center
 - c. Jefferson Service Center
 - d. McDonald Service Center
 - e. Washington Service Center
3. Southeast Operating Area
 - a. Hyndman (PA territory operated from Cumberland, MD)
 - b. McConnellsburg Service Center
 - c. Waynesboro Service Center
4. Central Operating Area
 - a. Jeannette Service Center
 - b. Latrobe Service Center
 - c. Pleasant Valley Service Center
 - d. Uniontown Service Center
5. Northwest Operating Area
 - a. Arnold Service Center
 - b. Butler Service Center
 - c. Clarion Service Center
 - d. Kittanning Service Center
6. Northeast Operating Area
 - a. State College Service Center
 - b. St. Marys Service Center

52 Pa. Code §57.195 (b)(1)
Assessment and Programs

Assessment

Allegheny Power's (AP) distribution can be characterized as good with fairly consistent statistical results, excluding early data reporting issues previously recognized by the Commission. AP has made great strides in the past seven years implementing technology to monitor 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. A comprehensive corporate training center, reliability programs, and processes to support reliability initiatives are in place to improve distribution reliability. These and other initiatives 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. AP also has maintenance programs in place to address poor performing circuits as well specific line segments where reliability issues may exist.

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.

Current Programs and Procedures

Select subsections of Sections 04, 05, 09, and 13 of the AP *Construction, Operation, and Maintenance (COM) Manual*, Section 20 of the AP *Engineering Manual* and Allegheny's *Substation Notebook* detail the company's inspection & maintenance programs as summarized below.

COM 04-01 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, transmission, and subtransmission lines are patrolled annually to assess vegetation and danger tree conditions.
- All steel poles, towers, and concrete footers are inspected on a ten-year cycle.

COM 04-02 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.

COM 04-03 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.

COM 04-04 Overhead Lines – Distribution Inspection and Maintenance Program for Capacitors

- All distribution line capacitors are visually inspected annually.

COM 04-05 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 is a reliability-based, targeted inspection and maintenance program designed to improve circuit reliability performance.

COM 04-06 Overhead Lines – Painting of Steel Transmission, Subtransmission, and Distribution Structures

- Service Centers submit recommendations for painting steel structures to Lines Operations based on scheduled line patrols as documented above. Lines Operations evaluates the condition of the protective coatings and is responsible for the painting required to extend the useful life of the assets.

COM 04-07 Overhead Lines – Maintenance of Transmission, Subtransmission, and Distribution Foundations

- Service Centers submit recommendations for repairing foundations to Lines Operations based on scheduled footer patrols as described elsewhere in this summary. Lines Operations evaluates the condition of the foundations and is responsible for the necessary upgrades or repairs.

COM 04-08 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.

COM 04-09 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 (annually).

COM 04-10 Overhead Lines – Inspection and Maintenance Program for Oil Circuit Reclosers

- Oil circuit reclosers on distribution lines are visually inspected once per year. Units are removed from service for refurbishing in the shop based on the manufacturer's duty cycle recommendations or every 10 years, whichever comes first.

COM 04-11 Overhead Lines – Inspection and Maintenance of Distribution Line Voltage Regulators

- Voltage regulators on distribution lines are visually inspected once every five years. Regulators are tested to assure proper operation. Faulty regulators are replaced.

COM 05-01 Underground Distribution/Subtransmission Lines – Underground Equipment Inspection

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

COM 05-04 and 05-05 Underground Cable Treatment and Replacement Program

- *Underground cable treatment has been accepted in the industry as a means to extend cable life at a fraction of the replacement cost. The objectives of this program are outlined as follows:*
 - *Control customer outage duration and frequency of interruptions resulting from underground cable failures.*
 - *Manage the liability risk associated with underground cable.*
 - *Provide a standard methodology throughout AP regarding the treatment and replacement of underground primary cable.*

Vegetation Control Program Overview

- *AP has a structured vegetation control program in which rural distribution circuits are maintained on a 6 – 8 year cycle. Urban distribution circuits are maintained on a 3 - 4 year cycle. Cycle lengths may vary due to shorter or longer growing seasons, species variation, and other factors that influence growth. Transmission and sub-transmission circuits are patrolled annually and maintained on an as-needed basis.*

COM 09-06 Vegetation – Initial Clearing Guidelines

- *Guidelines have been established for initial right-of-way clearing. Standard corridor widths are maintained for each voltage class and construction type.*

COM 09-07 Vegetation – Planning, Scheduling, Budgeting, Contracting, and Recording Vegetation Management Work on Distribution Voltages

- *Vegetation management activities follow a standard cycle length of 6 - 8 years for rural distribution lines and 3-4 years for urban distribution lines.*

COM 09-08 Vegetation – Planning, Scheduling, Budgeting, Contracting, and Recording Vegetation Management Work on Subtransmission Voltages

- *Vegetation management activities follow an as-needed basis based on patrols.*

COM 09-09 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. Annual general aerial patrols are used to identify emergency conditions, to assess effectiveness of maintenance activities, to determine vegetation conditions, and to assist in creating and refining management plans.*

COM 09-13 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.*

COM 13-01 Street Lighting – Maintenance and Inspection

- For group light accounts, inspection of street lighting equipment is performed at the same time that the group lamp replacement is made. The replacement schedule for mercury vapor and high-pressure sodium lights is four years.

Engineering Manual**20-1.0 Reliability and Improvement Program (RIP)**

- Detailed reviews are conducted on distribution circuits with reliability indices falling outside of AP's reliability targets. 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 DCII (DCII - Distribution Circuit Interruption Index 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 two or more 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 more than two 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 25 operations annually will be reviewed and if necessary an action plan will be developed to improve performance.
- By utilizing the above criteria (in addition to our standard maintenance activities) to target maintenance to poor performing circuits and line segments, we are able to focus our resources to those customers experiencing the poorest levels of reliability.

SS Notebook: Substation Maintenance Program - Objectives and Desired Outcomes

The objective of Allegheny'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.

Procedures

The Substation Notebook documents substation maintenance and operating practices. The section titled “Maintenance Class Details” lists the various classes of maintenance and inspection procedures (see definitions below) performed on all substation equipment such as power & instrument transformers, circuit breakers, regulators, reclosers, capacitors, batteries & chargers.

Maintenance Class Definitions*

Class A – Complete inspection, adjustment, testing and repair of those electrical, mechanical, physical, and structural components as required by this standard for each unique piece of equipment, and the recording of appropriate data. Normally the equipment will be removed from service.

Class B – The inspection, adjustment, testing and repair of those electrical, mechanical, physical and structural subcomponents as required by this standard for each unique piece of equipment, and the recording of appropriate data. Items included in this category are those subcomponents of equipment requiring more frequent attention than the periodicity of Class A maintenance.

Class C – Visual inspection of those electrical, mechanical, physical and structural components available while the equipment is in service, and the logging of substation data. Perform such special tests as prescribed by individual equipment maintenance guide.

Class D – Visual inspection of those electrical, mechanical, physical and structural components available while the equipment is in service, and the daily logging of the data.

P – Perform a bushing PF test on all GE transformers 230 kV and below and all breakers with GE type U or McGraw Type PA bushings.

G – Perform gauge inspection.

* For each maintenance class, the lower classes are also performed. For initial installation, the highest form of maintenance shall be performed.

52 Pa. Code §57.195 (b)(2)
Major Events

The reliability data included in this document exclude the following Major Events, which occurred on the dates listed and at the locations given:

- 7/21/2003 – 7/22/2003 - Arnold S. C. (Cause – storm, wind, hail, lightning)**
- 7/21/2003 – 7/24/2003 - Butler S. C. (Cause – storm, wind, hail, lightning)**
- 7/21/2003 – 7/23/2003 - Clarion, Kittanning, and State College Service Centers (Cause – storm, wind, hail, lightning)**
- 7/21/2003 – 7/26/2003 - St. Marys S. C. (Cause – storm, tornados, wind, hail, lightning)**

Service Center/Area	Start Date/Time	Stop Date/Time	Customers Affected
Arnold	7/21/03 1020	7/22/03 1651	2,373
Butler	7/21/03 1011	7/24/03 1435	11,013
Clarion	7/21/03 1042	7/23/03 0726	3,186
Kittanning	7/21/03 1041	7/23/03 1443	1,593
State College	7/21/03 1235	7/23/03 1507	2,373
St. Marys	7/21/03 1205	7/26/03 0743	23,654
Pennsylvania Total	-	-	44,192

8/25/2003 – 8/29/2003 – Pennsylvania (Cause – storm, wind, hail, lightning)

Service Center/Area	Start Date/Time	Stop Date/Time	Customers Affected
Pennsylvania Total	8/25/03 2300	8/29/03 2300	76,415

9/18/2003 – 9/21/2003 – Northeast (Cause – Hurricane Isabel)

9/18/2003 – 9/22/2003 – Southeast (Cause – Hurricane Isabel)

Service Center/Area	Start Date/Time	Stop Date/Time	Customers Affected
Northeast	9/18/03 2130	9/21/03 2242	12,293
Southeast	9/18/03 1800	9/22/03 2041	22,064
Pennsylvania Total	-	-	34,357

11/12/2003 – 11/15/2003 – Northeast (Cause – High winds)

11/13/2003 – 11/14/2003 – Southeast (Cause – High winds)

Service Center/Area	Start Date/Time	Stop Date/Time	Customers Affected
Northeast	11/12/03 2230	11/15/03 1419	21,445
Southeast	11/13/03 0230	11/14/03 2351	8,006
Pennsylvania Total	-	-	29,451

Major event description:

- (i) Either of the following (A) or (B) qualifies as a major event for data exclusion:
 - (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.

AP'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.

52 Pa. Code §57.195 (b)(3)
Reliability Indices, Performance Measures, and Supporting Data

The following table provides 2003 reliability statistics (SAIFI, CAIDI, and SAIDI) along with supporting data used to calculate the statistics and performance measures.

2003 Results (excluding Major Events):								Benchmark			Performance Standard		
Service Center	Customers Interrupted	CWN	Customers Served	SAIDI	ASAI	CAIDI	SAIFI	SAIDI	CAIDI	SAIFI	SAIDI	CAIDI	SAIFI
Southwest Region Total	294,907	71,024,694	192,461	369	0.999298	241	1.53	105	188	0.55	207	221	1.16
Southeast Region Total	49,460	9,287,750	58,075	160	0.999696	188	0.85	157	204	0.81	323	316	1.82
Central Region Total	239,257	45,304,375	197,063	230	0.999563	189	1.21	99	156	0.64	158	197	1.08
Northwest Region Total	182,225	40,849,046	146,749	278	0.999470	224	1.24	144	173	0.84	194	227	1.16
Northeast Region Total	84,639	17,430,037	88,157	198	0.999624	206	0.96	125	194	0.66	178	307	0.85
Pennsylvania	850,488	183,895,901	682,308	270	0.999487	216	1.25	116	178	0.67	159	223	1.08

Supporting Discussion:

The following table provides three years of available reliability statistics (SAIFI, CAIDI, and SAIDI) along with supporting data used to calculate the statistics.

Year	Interrupted Customers	Aug Cust Served	CMI	SAIDI	ASAI	CAIDI	SAIFI
2001	744571	696,332	144,536,616	202	0.999604	194	1.04
2002	808281	679,231	161,223,892	238	0.999548	199	1.19
2003	850488	682,308	183,895,901	270	0.999487	216	1.25

MAIFI Indices Reporting

At this time, AP does not have a system in place to collect automatically the data necessary to report MAIFI indices. Past MAIFI reports included only a few 34.5 kV distribution circuits for which we have been unable to duplicate past results. MAIFI statistics are not recorded nor readily available at AP. AP continues to evaluate tools and methods to accurately collect the data that might be required to calculate, maintain and track MAIFI statistics.

Outage Management System Implementation

The Commission recognized AP's data quality issues associated with implementation of an automated Outage Management System (OMS) in its current Docket No. M-00991220. The following represents AP's OMS implementation timeline affecting data quality during the time of establishing benchmarks and performance standards:

- ❖ 1994 - 1998: Manual reporting of data
- ❖ 1996 - 1998: Incomplete data during OMS development
- ❖ 1999: First year of utilizing new OMS for reliability reporting
- ❖ 1999 – 2000: Data quality clean-up including verifying customer connectivity and equipment identifications

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	Customers Interrupted 12 Month ending December 03		Customers Minutes Interrupted 12 Month ending December 03	
	Number	Percent	Number	Percent
Animals	35,022	4.1%	3,890,338	2.1%
Overhead Equipment Failure				
Overhead Line Equipment	22,386	2.6%	4,123,504	2.2%
Overhead Line Material	106,733	12.5%	16,011,582	8.6%
Overhead Wire	71,487	8.4%	11,227,583	6.0%
Underground Equipment				
Underground Line Material	2,749	0.3%	605,648	0.3%
Underground Line Equipment	1,194	0.1%	689,541	0.4%
Underground Cable	13,740	1.6%	3,847,044	2.1%
Service Equipment	145	0.0%	31,998	0.0%
Substation Equipment	22,064	2.6%	2,799,930	1.5%
Other	9,685	1.1%	1,693,535	0.9%
Public/Customer	116,551	13.6%	22,314,494	12.0%
Trees				
On Right of Way	9,235	1.1%	1,843,274	1.0%
Off Right of Way	228,740	26.8%	66,088,329	35.6%
Unknown	91,631	10.7%	11,281,660	6.1%
Weather	123,418	14.4%	39,414,813	21.2%
Total	854,780	100%	185,863,273	100%

Analysis and Plans of Action

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

- Reliability Improvement Initiative – Review substation devices and main line protective devices for un-fused taps. Review over-current protection on poor performing and high-density distribution circuits. Specifically, circuits were selected based on the following criteria:
 - Circuits with SAIFI greater than 2.0 and more than 500 customer served.
 - Circuits serving over 1,500 customers.
 This initiative involves 205 circuits 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 – AP'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 lean toward the line in a manner that poses a threat to service reliability and/or the integrity of the line under any weather condition. Beginning in 2003, AP initiated this program to target live, healthy trees that are leaning and located along higher voltage lines and main lines of distribution circuits.

- **Circuit Hardening** – By conducting main line inspections, this initiative aims to improve reliability through the reduction of circuit lockouts occurring as a result of failures on the main line. Circuits with poor reliability and high customer density (1500+ customers) are targeted. This program was piloted on 4 circuits in PA in 2003.

52 Pa. Code §57.195 (b)(5)
Remedial Efforts for 5% Worst Performing Circuits

The following four circuits were on the 5% worst performing circuit list as of 9/30/02 and 9/30/03. AP targets the worst-performing circuit list as of September 30th each year to allow time to develop work plans for the following year before yearend. A description of remedial efforts for each circuit is included.

Buena Vista substation/ Chicora circuit:

The following actions have been or will be taken with respect to this circuit:

- In 2003, reliability on the Buena Vista SS - Chicora 12kV was addressed by installing lightning arrestors on the 12kV circuits around the substation. Direct lightning strikes to the station's equipment, or overhead lines, resulted in two total station outages in 2003.
- Additional reliability improvement plans are in place for 2004. The Chicora 12kV has shown a need for additional fusing to minimize customer interruptions due to uncontrollable events such as lightning and off right-of-way tree related outages. A comprehensive fusing review and re-coordination has been completed and will be implemented April 30, 2004.
- The sub-transmission system serving the Buena Vista SS - Chicora 12kV circuit is extremely rural with high exposure to off right-of way trees. To mitigate sub-transmission outages at Buena Vista SS, a 25kV automatic sectionalizing switch scheme has been developed. The switch package is slated for installation in September 2004, if right-of-way acquisition is achieved in a timely manner.

Hickory substation/ Fort Cherry circuit:

The following actions have been or will be taken with respect to this circuit:

- Removed portion of overbuilt unused 25 kV line in 2003.
- Transferred a portion of the circuit to Bishop circuit in 2003 to reduce exposure and loading.
- Reconductored a portion of main line and installed additional fusing.
- Outages occurred in 2003 while the substation was on one-way feed during rebuild. The work was completed in January, 2003.
- Circuit tree trimming was completed in 2003.
- As a result of a 2004 reliability improvement initiative, 21 new cutouts will be added to this circuit this year to further sectionalize taps off main lines and provide additional fuses on circuits with more than 100 customers.

Roulette substation/ Town Roulette circuit:

The following actions have been or will be taken with respect to this circuit:

- A work request was issued for this circuit to complete a reliability improvement action plan. Work comprising nearly 900 man-hours and \$70,000 at 80 locations was completed in early 2003.
- Approximately 69% of the customer minutes interrupted on this circuit in 2003 were due to one incident involving a circuit lock-out on 1/1/2003 due to snow/ice loading.

Avella substation/West Middleton circuit:

The following actions have been or will be taken with respect to this circuit:

- A fuse coordination plan was completed on March 31, 2003. Fuses were added and reclosers replaced in 2003 for improved coordination. Circuit work carried over to 2004 and was completed on April 5, 2004.
- Reliability Improvement Plan Annual Inspection and Maintenance is scheduled for April 2004.

52 Pa. Code §57.195 (b)(6)
Transmission and Distribution Inspection/Maintenance Goals Results

The following is a comparison of 2003 T&D goals versus actual results for Ensure Reliable Service (ERS) work. AP completed nearly 95% of planned work objectives. Any work not completed by year-end 2003 is scheduled to be completed in 2004. For instance, not all substations and controls work was completed in 2003 due to retirements and promotions from the groups. Also, certain individual ERS budget projects were delayed to 2004 due to additional resources being required to support major restoration activities.

2003 Goals - Pennsylvania - Complete Planned ERS Work				
Results as of: December 31				
ERS Program/Project	Unit of Measurement	Target for 2003	Actual Completed YTD	% Completed
Forestry ERS Goals				
Transmission Herbicide Application	# Transmission Lines	12	12	100.0%
Transmission Lines Trimming and Clearing	# Transmission Lines	52	52	100.0%
Subtransmission Herbicide Application	# of Subtransmission Lines	73	72	98.6%
Subtransmission Line Trimming and Clearing	# of Subtransmission Lines	100	99	99.0%
Distribution Line Trimming, Clearing & Herbicide Applic.	# of Distribution Line Miles	7,577	7,278	96.1%
Transmission Lines ERS Goals				
Major ERS Projects	# Projects	10	10	100.0%
Transmission Comprehensive Patrol	# Transmission Lines	1	1	100.0%
Transmission General Patrol	# Transmission Lines	117	117	100.0%
Ground & Footer Inspections	# Transmission Lines	1	1	100.0%
Critical Transmission Repairs	# Critical Items	3	3	100.0%
Priority Transmission Repairs	# Priority Items	9	7	77.8%
Non-Critical Transmission Repairs	# Non-Critical Items	18	18	100.0%
Substation ERS Goals				
SS Work (Includes Capital, Planned, & Preventative)	Man-Hours	67,098	58,702	87.5%
SS Spraying	# Substations	620	543	87.5%
Controls Work (Includes Cap., Planned, & Preventative)	Man-Hours	12,218	11,421	93.5%
OH Distribution Lines ERS Goals				
Subtransmission General Patrol	# Subtransmission Lines	333	333	100.0%
Individual ERS Budget Projects	Man-Hours	10,489	6,889	65.7%
Small Planning Projects	Man-Hours	28,950	25,667	88.7%
Pole Inspection	# of Circuits	82	82	100.0%
Pole Reinforcement	# of Poles	301	301	100.0%
Danger Poles	# Danger Poles	158	156	98.7%
Reject Poles	# Reject Poles	279	281	100.7%
AIM Work	Points Completed	3,449	3,059	89.0%
RIP Program	Manhours	15,893	15,404	96.9%
UG Equipment Inspections	# Locations	6,858	6,824	99.5%
Recloser Inspections	# Reclosers	3,067	3,015	98.3%
Regulator Inspections	# Regulators	181	181	100.0%
Capacitors Inspections	# Capacitors	1,226	1,228	100.0%
Recloser Replacements	# Reclosers	182	182	100.0%
Structured Maintenance - Street Lights	# Street Lights	22,187	17,241	77.7%
UGD Distribution Lines ERS Goals				
UGD Cable Replacement	Feet of conductor replaced	11,475	17,158	100.0%
Cable Injection	Feet of conductor injected	54,122	135,541	100.0%

52 Pa. Code §57.195 (b)(7)
Transmission and Distribution Budget versus Actual O&M Expenses

The following is a comparison of budgeted versus actual 2003 T&D O&M expenses. The only significant variances involved (1) Substations, which spent less than budgeted due to limited resources from personnel promotions from within the group, and (2) Lines Services, which spent less on painting programs than anticipated. Substations will complete any missed 2003 work in 2004.

T&D Unit	2003 Budget	2003 Actual
Dispatching	\$ 1,541,572	\$ 1,530,439
Forestry	\$15,801,446	\$ 15,018,350
Lines Operations	\$19,503,082	\$ 19,765,299
Line Services	\$ 6,179,383	\$ 4,690,450
Metering and System Protection	\$ 2,344,569	\$ 2,723,698
Projects	\$ 780,033	\$ 224,237
Substations	\$ 8,783,388	\$ 7,419,403
System Operations	\$ 2,446,529	\$ 2,571,633
System Planning	\$ 1,401,477	\$ 1,633,463
Grand Total	\$58,781,479	\$ 55,576,971

52 Pa. Code §57.195 (b)(8)
Transmission and Distribution Budget versus Actual Capital Expenditures

The following is a comparison of budgeted versus actual 2003 T&D capital expenditures followed by an explanation of any significant variances:

	2003 (\$ millions)*	
	<u>Budget</u>	<u>Actual</u>
Transmission	\$ 3.1	\$ 2.5
Distribution + General Plant	\$ 40.8	\$ 47.1
Total	\$ 43.8	\$ 49.6

* Includes capital expenditures less contributions by others

Major summer storms including Hurricane Isabel contributed significantly towards actual expenses exceeding the planned budget.

52 Pa. Code §57.195 (b)(9)
Transmission and Distribution 2004 Inspection and Maintenance Goals

The following is a list of T&D inspection and maintenance goals for 2004:

2004 Goals - Pennsylvania - Complete Planned ERS Work		
ERS Program/Project	Unit of Measurement	Target for 2004
Forestry ERS Goals		
Transmission Herbicide Application	# Transmission Lines	18
Transmission Lines Trimming and Clearing	# Transmission Lines	42
Subtransmission Herbicide Application	# of Subtransmission Lines	48
Subtransmission Line Trimming and Clearing	# of Subtransmission Lines	103
Distribution Line Trimming, Clearing & Herbicide Applic.	# of Distribution Line Miles	5,843
Transmission Lines ERS Goals		
Major ERS SS Projects	# Projects	1
Major ERS Lines Projects	# Projects	2
Transmission Comprehensive Patrol	# Transmission Lines	14
Transmission General Patrol	# Transmission Lines	139
Ground & Footer Inspections	# Transmission Lines	13
Pole Inspection	# Transmission Lines	10
Critical Transmission Repairs	# Critical Items	1
Priority Transmission Repairs	# Priority Items	3
Non-Critical Transmission Repairs	# Non-Critical Items	28
Substation ERS Goals		
SS Work (Includes Capital, Planned, & Preventative)	Man-Hours	70,498
SS Spraying	# Substations	710
Controls Work (Includes Cap., Planned, & Preventative)	Man-Hours	13,952
OH Distribution Lines ERS Goals		
Subtransmission General Patrol	# Subtransmission Lines	418
Individual ERS Budget Projects	Man-Hours	9,250
Small Planning Projects	Man-Hours	33,874
Pole Inspection	# of Circuits	39
Danger Poles	# Danger Poles	11
Reject Poles	# Reject Poles	235
AJM Work	Points Completed	1,836
RIP Program	Manhours	18,700
UG Equipment Inspections	# Locations	7,156
Recloser Inspections	# Reclosers	3,700
Regulator Inspections	# Regulators	225
Capacitors Inspections	# Capacitors	1,194
Recloser Replacements	# Reclosers	253
Structured Maintenance - Street Lights	# Street Lights	3,177
UGD Distribution Lines ERS Goals		
UGD Cable Replacement	# feet	12,200
Cable Injection	# feet	100,000

2004 work includes any 2003 carry-over work.

52 Pa. Code §57.195 (b)(10)
Transmission and Distribution 2004 O&M Expense Budget by FERC Account

AP does not budget by FERC account in its current financial reporting system. The following is the 2004 O&M expense budget as available from AP's financial reporting system:

T&D Unit	2004 Budget
Dispatching	\$ 1,494,380
Forestry	\$ 16,440,612
Lines Operations	\$ 20,494,482
Line Services	\$ 5,658,226
Metering and System Protection	\$ 2,717,844
Projects	\$ 347,250
Substations	\$ 9,947,895
System Operations	\$ 2,478,111
System Planning	\$ 1,506,802
Grand Total	\$ 61,085,602

52 Pa. Code §57.195 (b)(11)**Transmission and Distribution 2004 Capital Expenditure Budget by FERC Account**

AP does not budget by FERC account in its current financial reporting system. The following is the 2004 capital expenditure budget as available from AP's capital project system for Pennsylvania

	2004 Budget*
	<u>(\$ millions)</u>
Transmission	\$ 8.3
Distribution + General Plant	\$ 47.0
Total	\$ 55.3

* Includes capital expenditures less contributions by others

52 Pa. Code §57.195 (b)(12)

Transmission and Distribution Inspection and Maintenance Program Changes

There have been no changes to existing inspection and maintenance programs previously submitted to the Commission.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

CERTIFICATE OF SERVICE

I certify that this 30th day of April 2004, I have served a true and correct copy of the 2003 Annual Reliability Report and the First Quarter 2004 Reliability Report of Allegheny Power, by first-class mail, postage prepaid, upon the following:

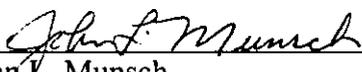
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1921

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Suite 1102, 300 North 2nd Street
Harrisburg, PA 17101

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



John L. Munsch
Attorney for
ALLEGHENY POWER



An Exelon Company

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April 30, 2004
Mail To: P.O. Box 8699
Philadelphia, PA 19101-8699

Via Federal Express

Mr. James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Second Floor
Harrisburg, Pennsylvania 17120

APR 30 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DOCUMENT

Re: PUC Docket No. L-00030161; Rulemaking Re Amending Electric Service Reliability Regulations at 52 Pa. Code Chapter 57

Dear Secretary McNulty:

In accordance with the September 8, 2003 Secretarial Letter issued at PUC Docket L-00030161, attached please find an original and six copies of PECO Energy's 2003 Annual Reliability Report for the period ending December 31, 2003. It is PECO Energy's position that the September 8th Secretarial Letter effectively modifies the existing regulation (52 Pa. Code 57.195(d)) relating to reliability reporting requirements, but that such regulations may only be modified through a formal rulemaking proceeding. Nonetheless, pending finalization of the Proposed Rulemaking in the above-captioned docket, PECO Energy has made a good-faith effort to comply with the directive of the September 8th letter and attached this report.

PECO Energy has filed comments to the Proposed Rulemaking Order, which was published on October 4, 2003, concerning the proper scope of reported reliability data. In providing this report, PECO Energy does not waive its right to challenge the directive of the September 8th Secretarial Letter. Because portions of the report contain sensitive and proprietary information, PECO Energy is filing two versions of the report, one public and one proprietary. PECO Energy requests that the proprietary report, which has been separated and clearly marked with a "Confidential and Proprietary" header on each page, be kept confidential pursuant to the provision of 52 PA. Code 5.423. If you have any further questions, please do not hesitate to contact me at 215-841-5316.

Sincerely,

cc: Office of Consumer Advocate
Office of Small Business Advocate

enclosure

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APR 30 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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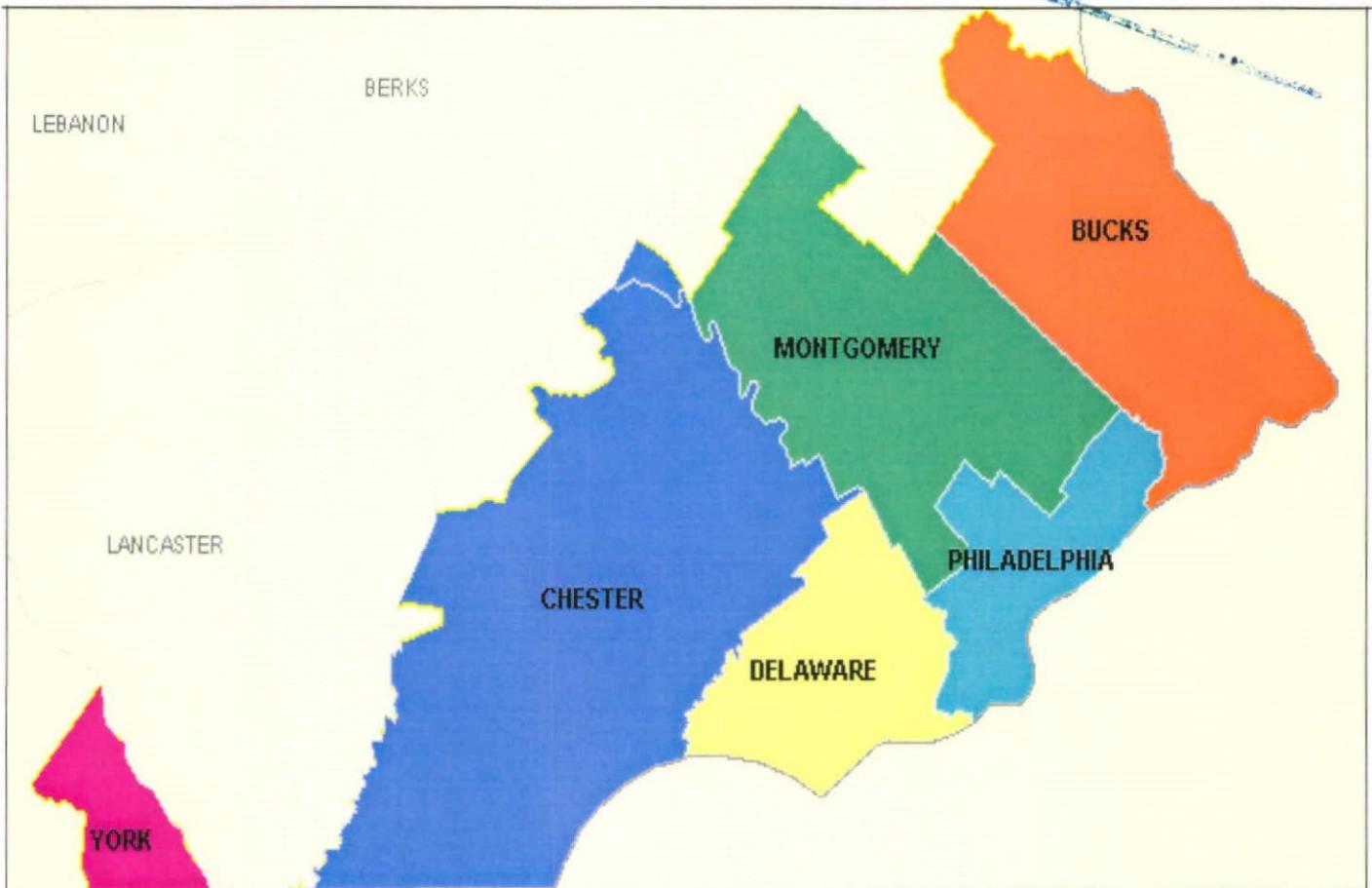
An Exelon Company

DOCUMENT

2003

**Electric Distribution Company
Annual Reliability Report**

DOCKETED
JUN 28 2004



April 30, 2004

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INTRODUCTION

PECO Energy ("PECO") is submitting this report to the Pennsylvania Public Utility Commission (the "Commission") in accordance with 52 Pa Code 57.195

PECO is committed to providing safe and reliable electric service to its customers. PECO serves approximately 1.6 million electric customers covering nearly 2,000 square miles in Bucks, Montgomery, Delaware, Chester, York and Philadelphia Counties, including the City of Philadelphia.

PECO's system performed reliably in 2003 as demonstrated by the reliability indices. For 2003, SAIFI was 1.00, CAIDI was 103 and SAIDI was 103. All three indices were better than the Benchmark and Standard.

On August 14th, 2003, a series of events left an estimated 50 million customers in U.S. and Canada without power. PECO's System Operations carefully monitored the transmission systems to ensure no adverse impact during the incident and the subsequent recovery efforts by other areas. In addition, actions - such as manning substations and activating the Emergency Response organizations were taken to prepare for a possible system emergency.

In September, the Company planned and prepared for the arrival of Hurricane Isabel. On September 17th, the Company mobilized a work force of 1,500 crews including more than 580 foreign crews and crews from sister company ComEd.

On September 18th, Isabel, reduced to a tropical storm, struck the PECO service territory with heavy rain and winds up to 70 miles per hour. PECO's planning and mobilization paid off. Service was restored to nearly 98% of PECO's customers by 11 p.m. Sunday September 21st with full restoration completed Tuesday morning, September 23rd. The PECO Customer Call Center handled more than 234,000 calls from Thursday through the weekend- far exceeding the weekly average of 70,000 calls. On Friday the day after the storm, the center received a peak volume of 151,286 calls.

B1: Section 57.195(b)(1)

In this Part, we respond to the requirements set forth in Section 57.195(b)(1) of the Commission's Reliability Reporting Requirements.

Section 57.195(b)(1): "The annual reliability report shall include ... an overall current assessment of the state of the system reliability in the electric distribution company's service territory including a discussion of the electric distribution company's current programs and procedures for providing reliable electric service."

Current Assessment:

PECO Energy's reliability performance in 2003 was good. The SAIFI of 1.00 was below the Benchmark and the Standard, and the best since the pre-competition baseline period began in 1994. The CAIDI of 103 was below the Benchmark and the Standard, and the third best value since the pre-competition baseline began. The SAIDI of 103 was below the Benchmark and the Standard, and the second best value since 1994. The MAIFI of 1.00 was above the Benchmark. There is no Standard for MAIFI.

Programs and Procedures:

PECO Energy continues to stress excellence in fundamentals:

- Emergency response and daily operation
- Thorough preventive and corrective maintenance
- Robust capacity and design
- Adequate bulk supply
- Appropriate investment

PECO Energy's program for providing reliable electric service is multifaceted. It starts with a transmission and distribution system that is designed and built to robust, reliable standards. Under a formal, comprehensive, predictive and preventive maintenance program, equipment receives maintenance to ensure its safe, reliable operation. Vegetation in the proximity of the system is pruned and controlled via a well-funded, well-managed program that protects the electric facilities while respecting the beauty and environmental importance of the vegetation.

The transmission and distribution system is operated around-the-clock, every day, from control centers where trained personnel use modern monitoring and control equipment to ensure that all equipment is run within its load rating and other technical constraints.

When interruptions to electric service do occur, calls are noted in a computer-aided trouble management system, which associates calls with information about the distribution system configuration to construct probable trouble groupings. These trouble reports quickly appear on the screens for the operations center personnel. First response personnel are on the system at all times to make trouble locations safe and quickly restore service.

Should a storm or other emergency arise, an appropriate emergency response team is assembled via group pager notification. The trained team performs per the specifications of thorough, documented, tested emergency response procedures, quickly escalating the magnitude of the response when required, and communicating with the public and government agencies. If necessary, pre-established agreements with local contractors and neighboring utilities are exercised to augment PECO Energy's workforce.

After each significant emergency event, the groups involved evaluate the response. Strengths and weaknesses are identified, action plans are constructed, and individuals are tasked with bringing about the necessary changes to facilities, the organization, the procedures, and the workforce's understanding of the procedures.

Management tracks each action item and demands timely completion to ensure continuous improvement.

Seasonal emergency response drills are carefully planned and carried out, followed by critiques and improvements to ensure that the entire organization can function properly when called upon for actual emergencies.

Management sets clearly-defined, challenging reliability goals, communicates them to the workforce, demands meaningful action plans, monitors progress, holds the organization accountable for results, and attaches incentive compensation for all employees to the achievement of the goals. Full-time engineering professionals monitor and analyze reliability trends and changes, and institute capital upgrades and improvements to maintenance, design, construction and/or operations to ensure that customers continued to enjoy reliable electric service.

B2: Section 57.195(b)(2)

In this Part, we respond to the requirements set forth in Section 57.195(b)(2) of the Commission's Reliability Reporting Requirements.

Section 57.195(b)(2): *"The annual reliability report shall include... a description of each major event that occurred during the year being reported on, 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."*

PECO Energy experienced one major event during the 3rd quarter, when Hurricane Isabel caused very extensive electric service outages through high winds, rain, and the resultant downed and broken trees.

Start time of event: 12:23 p.m. on September 18th
End time of event: 3:59 a.m. on September 23rd

The end time is the time of occurrence of the last outage event that was considered to be part of the major event. Restoration continued after the occurrence of this outage.

Sustained customer interruptions:	505,821
Momentary customer interruptions:	<u>146,936</u>
Total	652,757

PECO Energy also experienced one major event during the 4th quarter, when a windstorm caused extensive electric service outages through high winds and the resultant downed and broken trees.

Start time of event: 3:33 a.m. on November 13th
End time of event: 11:59 p.m. on November 15th
The end time is the time of occurrence of the last outage event that was considered to be part of the major event. Restoration continued after the occurrence of this outage.

Sustained customer interruptions:	172,100
Momentary customer interruptions:	<u>61,272</u>
Total	233,372

Several procedures were modified to further improve emergency response. A more comprehensive agenda has been added to the conference call procedure, to reflect critical activities to be reviewed/addressed by our Emergency Response Organization management; streamlined the process for on-call personnel to respond to their emergency response facilities, when activated; established the Duty Officer as a primary point for receiving/communicating key information to the PECO management team; established a new back-up facility for dispatch operations and the coordination of emergency response activities. A procedure that defines the process for managing foreign crew resources has been further enhanced.

B3: Section 57.195(b)(3)

In this Part, we respond to the requirements set forth in Section 57.195(b)(3) of the Commission's Reliability Reporting Requirements.

Section 57.195(b)(3): "The report shall include... a table showing the actual values of each of the reliability indices (SAIFI, CAIDI, SAIDI, and if available, MAIFI) for the electric distribution company's service territory for each of the preceding 3 calendar years. The report shall include the data used in calculating the indices, namely the average number of customers served, the number of sustained customer minutes interruptions, the number of customer affected, and the minutes of interruption. If MAIFI values are provided, the number of customer momentary interruptions shall also be reported. "

	SAIFI	CAIDI	SAIDI	MAIFI
2003	1.00	103	103	1.00
2002	1.11	104	116	1.19
2001	1.21	117	141	0.94
2000	1.04	100	105	0.84

The 2001-2003 average SAIFI of 1.11 was below the proposed new Standard of 1.35 and below the Benchmark of 1.23. The 3-year average CAIDI of 108 was below the proposed Standard of 123 and below the Benchmark of 112. The 3-year average SAIDI of 120 was below the proposed Standard of 167 and below the Benchmark of 138.

	2003	2002	2001	2000
Number of customers served *	1,602,490	1,592,875	1,591,952	1,593,479
Sustained customer minutes interruptions	165,300,000	183,994,440	224,153,128	166,542,624
Number of customers affected	1,600,471	1,760,839	1,921,762	1,662,718
Number of customer momentary interruptions	1,595,298	1,892,308	1,488,565	1,346,480

* Customers served at year-end. Customers served is the total number of premises listed in our Outage Management System. Since SAIFI, SAIDI, and MAIFI are ratios with customers served in their denominators, the value of customers served is taken from the same source as the numerators (customers affected, customer interruption minutes, and momentary customer interruptions); the Outage Management System.

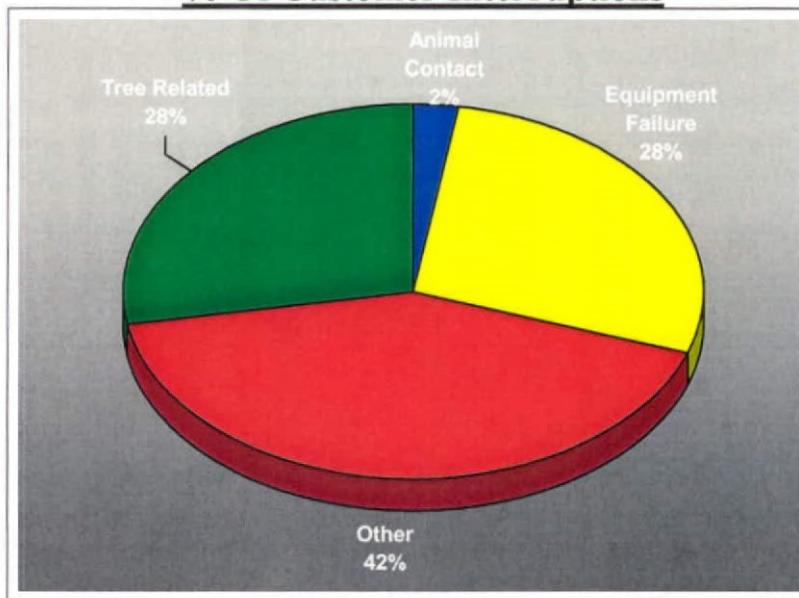
B4: Section 57.195(b)(4)

In this Part, we respond to the requirements set forth in Section 57.195(b)(4) of the Commission's Reliability Reporting Requirements.

Section 57.195(b)(4): "The report shall include... a breakdown and analysis of outage causes during the year being reported on, including the number and percentage of service outages 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."

Cause	Customer Interruptions	Customer Minutes
EQUIPMENT FAILURE	444,544	43,487,687
ANIMAL CONTACT	37,957	2,718,142
TREE RELATED	445,696	55,991,294
OTHER	672,274	63,102,895

% Of Customer Interruptions



The largest contributor to customer interruptions was trees, followed by equipment failure. The "other" category is a combination of smaller contributors. There were fewer customer interruptions in each of the categories above in 2003 than in 2002, with the exception of "other".

The "other" category contains loss of supply from the substation bus. Exclusive of the substation bus outages, customer interruptions in the "other" category were also reduced in 2003 relative to 2002.

Customer interruptions due to substation bus outages were higher in 2003 than in 2002, but lower than in three of the six years prior to 2003. PECO Energy plans to reduce substation bus outages through a combination of preventive maintenance and equipment upgrades and replacements. In addition, 3-phase reclosers installed on the distribution system will restore service automatically to customers whose service is interrupted due to many causes, including bus outages.

B5: Section 57.195(b)(5)

In this Part, we respond to the requirements set forth in Section 57.195(b)(5) of the Commission's Reliability Reporting Requirements.

Section 57.195(b)(5): *"The reports shall include... a list of remedial efforts taken to date and planned for circuits that have been on the worst performing 5% of circuits list for a year or more."*

As described previously in PECO Energy's comments to the proposed rulemaking order amending electric service reliability regulations 52 Pa. Code Chapter 57 (Docket No. L-00030161), we do not have a worst performing 5% of circuits list that specifically evolves over time for a year or more. The information requested in this section appears to imply such a list. We have interpreted this section to be in essence a request for information on circuits that have repeated on a worst performing circuits list after a full years opportunity at remediation.

For several years, we have had programs in various forms, to address 5% or more of our circuits, with 2003 being a unique year. In 2003 we have identified ten circuits, which is equivalent to 0.45% of circuits, per month for remediation. In other years we have identified 5% or more circuits at the start of the year and worked on them during the year. Circuits on our worst performing circuits list that are repeats after a year, meet the following criteria:

1. on the 5% circuits list for 2002
 2. appeared on the rolling circuits list for some month in 2003
 3. on a newly generated list for attention in 2004
- The following nine out of 2211 circuits meet those criteria:

Bradford 341
Clay 342
Line 14700
Line 3600CR
MacDade 136
Newlinville 343
Plymouth 140
Solebury 001
Upper Merion 132

Following are the efforts taken to date and planned for these circuits.

Bradford 341:

Completed:

- Replaced a 3-phase mid-circuit recloser.
- Adjusted the automatic control settings on 3-phase tie reclosers.

Planned:

- Perform regularly scheduled preventive tree clearance.
- Complete miscellaneous corrective work orders (replace insulators, cross-arm brace and pole)

Clay 342:

Completed

- Miscellaneous corrective work orders (replace crossarms).

Planned:

- Install new 3-phase mid-circuit recloser
- Install new single-phase recloser
- Inspect circuit backbone and one spur for proximity and condition of vegetation, and correct any problems found.

Line 14700PB:

Completed:

- Performed regularly scheduled preventive tree clearance.
- Completed miscellaneous corrective work orders (replace crossarms, cutout)

Planned:

- Replace 3-phase mid-circuit recloser

Line 3600CR:

Completed:

- Repaired 3-phase mid-circuit recloser
- Repaired circuit breaker and tie breaker at associated Kimberton substation.
- Installed additional spur fuses

- Planned:
 - Replace three 3-phase mid-circuit reclosers and two tie reclosers
 - Inspect circuit backbone and one spur for proximity and condition of vegetation, and correct any problems found.
 - Complete miscellaneous corrective work order (replace insulator)

- **MacDade 136:**
 - Completed:
 - Installed new 3-phase midpoint recloser and automatic tie recloser
 - Replaced lightning arresters at multiple locations
 - Planned:
 - Inspect circuit backbone for proximity and condition of vegetation, and correct identified problems.
 - Patrol residential area for possible additional squirrel protection.

- **Newlinville 343:**
 - Completed:
 - Performed regularly scheduled preventive tree clearance.
 - Replaced 3-phase mid-circuit recloser
 - Completed miscellaneous corrective work orders (replace cutout, secondary bushing, secondary connector)
 - Planned:
 - Install/upgrade fuses
 - Transfer customers for load relief

- **Plymouth 140:**
 - Completed:
 - Completed miscellaneous corrective work orders (replace cutouts, crossarms, lashing wire)
 - Replaced section of cable with repeat failures.
 - Planned:
 - Inspect circuit backbone for proximity and condition of vegetation, and correct identified problems.
 - Install additional fuses

- **Solebury 001:**
 - Completed:
 - Performed regularly scheduled preventive tree clearance.
 - Removed unused conductors and crossarms
 - Completed miscellaneous corrective work orders (replace spreaders, insulator, crossarms)
 - Planned:
 - Replace section of cable.

- **Upper Merion 132:**
 - Completed:
 - Install new 3 phase mid-circuit recloser and automatic tie recloser.
 - Replace 4 sets of sectionalizing disconnects.
 - Replace underground cable.
 - Replaced open wire secondary with triplex.
 - Planned:
 - Inspect selected areas for proximity and condition of vegetation, and correct identified problems.
 - Install single-phase recloser.
 - Install additional fuses.

B6: Section 57.195(b)(6)

In this Part, we respond to the requirements set forth in Section 57.195(b)(6) of the Commission's Reliability Reporting Requirements.

Section 57.195(b)(6): *"The report shall include... a comparison of established transmission and distribution inspection and maintenance goals/objectives versus actual results achieved during the year being reported on. Explanations of any variances shall be included."*

General Statement on Maintenance Programs Work Prioritization and Scheduling

PECO Energy develops its annual T&D maintenance plan to conform to company established maintenance cycles and based on current Program priority determined by safety, risk and reliability evaluations. Resources may be reallocated during the maintenance period depending on impact on key performance areas. There is an adherence to schedule grace period equivalent to 25% of the maintenance cycle length to allow for scheduling and bundling of work. This leads to approximately 75% completion of planned work by the end of the calendar year.

PECO Energy's Distribution Inspection and Maintenance Plan vs. Actual Work for 2003

Maintenance Program	Units		Comments
	Planned	Actual	
Manhole Inspections	1,947	1,452	Fewer manholes inspected due to ongoing program prioritization.
Circuit Patrol & Thermography	920	922	
Recloser Inspections	180	166	Inspection population was slightly reduced due to a system improvement effort to replace select oil filled reclosers in 2004.
Center City Network Inspections	211	269	
Aerial Gang Operated Switch Inspections	436	436	

PECO Energy's Transmission & Substation Inspection and Maintenance Plan vs. Actual Work for 2003

T&S Distribution Maintenance	265	203	Increased capital investment in new substation equipment required a shift of resources from maintenance activities
T&S Transmission Maintenance	218	218	
T&S Overhead Transmission Inspections	1	1	
T&S Distribution Relays	67	77	
T&S Transmission Relays	83	83	
T&S Predictive Inspections	2731	2855	

B9: Section 57.195(b)(9)

In this Part, we respond to the requirements set forth in Section 57.195(b)(9) of the Commission's Reliability Reporting Requirements.

Section 57.195(b)(9): "The report shall include... quantified Transmission and Distribution inspection and maintenance goals/objectives for the current calendar year detailed by system area (i.e., transmission, substation, and distribution)."

PECO Energy's 2004 Transmission and Distribution Inspection and Maintenance Plan

Maintenance Program	Units (Planned)
Manhole Inspections	2,077
Circuit Patrol & Thermography	920
Recloser Inspections	353
Center City Network Inspections	211
T & S Maintenance*	4337
T & S Testing*	1348

*Unit corresponds to actual equipment. In previous reports, units referred to circuits
Note: See section B12 for variance

B12: Section 57.195(b)(12)

In this Part, we respond to the requirements set forth in Section 57.195(b)(12) of the Commission's Reliability Reporting Requirements.

Section 57.195(b)(12): "The report shall include... significant changes, if any, to the Transmission and Distribution inspection and maintenance programs previously submitted to the Commission."

Approved Changes to PECO Energy's T&D Maintenance Programs

Maintenance Program	Approved Program changes since last submittal (12/31/03)
Aerial Gang Operated Switch Inspections	Program incorporated into Visual Circuit patrols.
T&S Transmission Relays	Transmission Relay Inspections changed from a 3 to 4 year cycle to align with PJM relay requirements.



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May 1, 2004

MAY 03 2004

Via Federal Express

Mr. James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Second Floor
Harrisburg, Pennsylvania 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PUC Docket No. L-00030161; Rulemaking Re Amending Electric
Service Reliability Regulations at 52 Pa. Code Chapter 57**

Dear Secretary McNulty:

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Sincerely,

cc: Office of Consumer Advocate
Office of Small Business Advocate

enclosure

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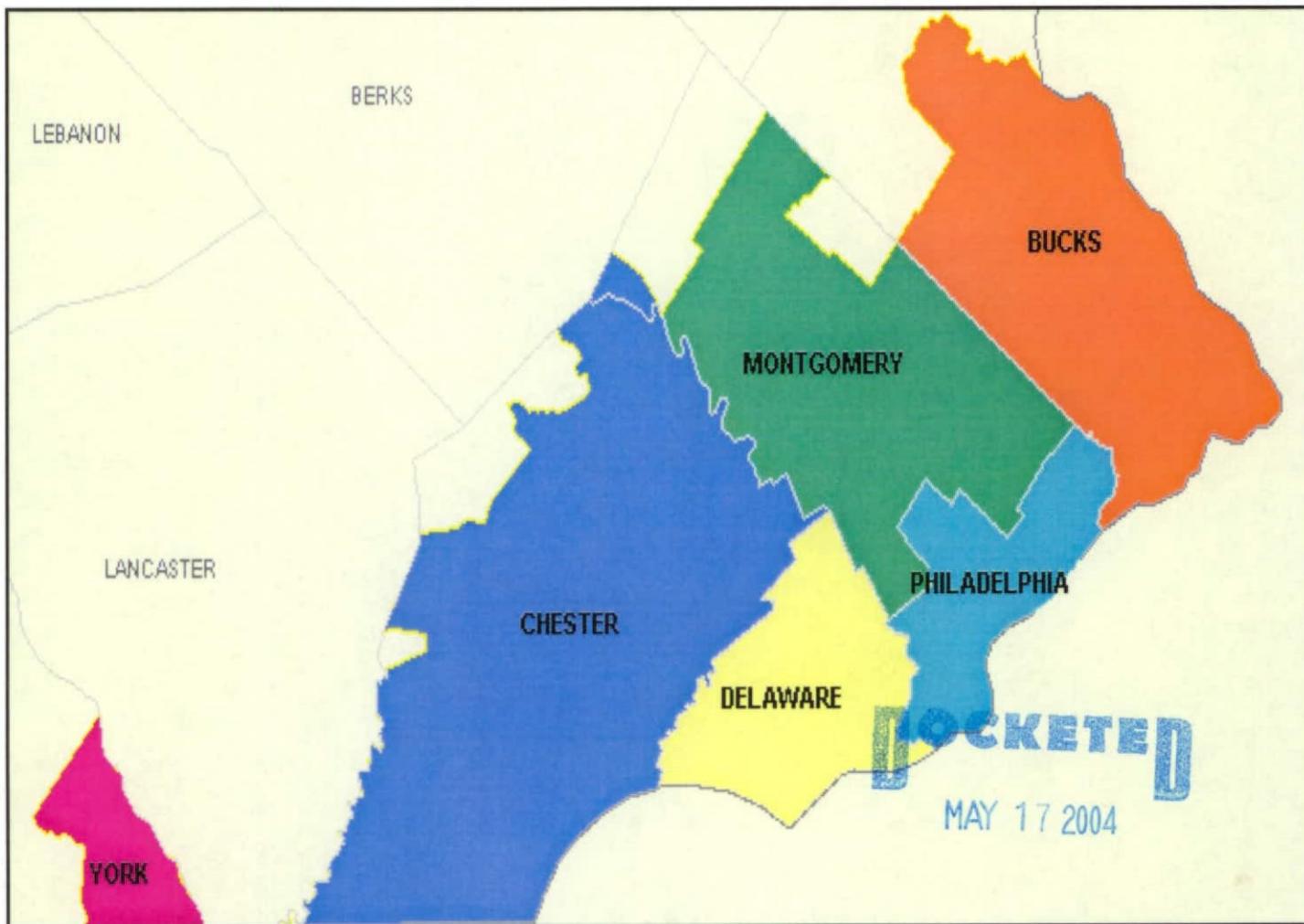
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MAY 03 2004

**PECO Energy Company
Quarterly Reliability Report
For period ending March 31, 2004**

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



May 1, 2004

DOCUMENT

PECO Energy
2003 Quarterly Reliability Report for the Period Ending March 31, 2004
filed with the Pennsylvania Public Utility Commission
 Submitted per September 8, 2003 Secretarial Letter

Section 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.”

PECO Energy experienced no major events in the first quarter of 2004.

Section 57.195(e)(2) “Rolling 12-month reliability index values (SAIFI, CAIDI, SAIDI, and if available, MAIFI for the electric distribution company’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.”

PECO Customers	Sustained Customer Interruptions	Sustained Customer Hours	Momentary Customer Interruptions	Sustained Customer Minutes	SAIFI	CAIDI	SAIDI	MAIFI
1,602,490	1,578,437	2,758,815	1,504,435	165,528,888	0.98	105	103	0.94

**Data reflects 12 months ending 3/31/2004

Section 57.195(e)(3) “Rolling twelve 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 electric distribution company defines its worst performing circuits shall be included.”

PECO Energy’s worst performing 5% of circuits for 2004 were selected based on a balanced scorecard including frequency and duration of interruptions and the number of customers experiencing more than three interruptions in a year. Each of these factors was considered from the perspective of its contribution to system totals and on the basis of the individual circuit. The selection process required six factors:

1. Rolled up customer interruptions – a count of all the customer interruptions on a given circuit and other circuits for which it is a source, due to outages on the given circuit in 12 months. This measure is oriented toward contribution to system SAIFI.
2. Circuit SAIFI – the 12-month average frequency of interruptions to customers on a given circuit. This measure is oriented toward local frequency of interruptions.

3. Rolled up customer hours of interruption – a count of all the customer hours of interruption on a given circuit and on other circuits for which it is a source, due to outages on the given circuit in 12 months. This measure is oriented toward contribution to system SAIDI, which is in turn a weighted contribution to system CAIDI.
4. Circuit SAIDI – the 12-month average total duration of interruptions to customers on a given circuit. This measure is oriented toward local duration of interruptions.
5. Customers with 4 or more interruptions – a count of the number of customers on a circuit who experienced four or more interruptions in a year. This measure is oriented toward contribution to the total number of customers with more than three interruptions on the system.
6. Percent of customers with 4 or more interruptions – the percent of customers on a circuit who experienced four or more interruptions in a year. This measure is oriented toward the local occurrence of repeat interruptions.

Weights were applied to these six factors to combine them into a single score for each circuit. The weights were chosen to index the individual factors to 100, account for differences in range among the factors, and balance system total interruption values with single-circuit interruption values. The circuits were then ranked by this combined score and selected in rank order for remediation in 2004.

This ranking system was different from that used at PECO Energy in 2003 and described in earlier reports to the Commission. Fourteen circuits that were analyzed as part of the 2003 rolling worst circuits program were placed at the top of PECO Energy's 5% worst circuits list for 2004.

Section 57.195(e)(5) " A breakdown and analysis of outage causes during the preceding quarter, including the number and percentage of service outages 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".

1st Quarter			
Cause	Customer Interruptions	% of Customer Interruptions	Customer Minutes
Animal Contact	3,120	1.4%	248,676
Equipment Failure	97,289	44.0%	9,475,828
Other	94,459	42.7%	6,810,515
Trees	26,486	12.0%	1,778,976

The largest contributor to customer interruptions was equipment failure, followed by trees. The "other" category is a combination of smaller contributors.

The "other" category contains loss of supply from the substation bus, which showed a relatively high number of customer interruptions in the first quarter. PECO Energy plans to reduce substation bus outages through a combination of preventive maintenance and equipment upgrades and replacements. In addition, 3-phase reclosers installed on the distribution system will restore service automatically to customers whose service is interrupted due to many causes, including bus outages

Section 57.195(e)(6). “Quarterly and year to date information on progress toward meeting transmission and distribution inspection and maintenance goals/ objectives”

Under its formal, comprehensive, predictive and preventive maintenance program, PECO Energy performs equipment maintenance to ensure safe, reliable operation. Vegetation in the proximity of the system is pruned and controlled under a Vegetation management program that protects the electric facilities while minimizing the environmental impact. PECO Energy is constantly searching for new ways to apply emerging technologies to the essential task of performing the best maintenance at the right time.

Preventive Maintenance Program Status – status as of 03/31/04				
	1 st Quarter Tasks		YTD Tasks	
	Planned	Complete	Planned	Complete
Manhole Inspections	300	300	300	300
Circuit Patrol & Thermography	560	610	560	610
Recloser Inspections	0	0	0	0
Center City Network Inspections	0	0	0	0
T&S Maintenance	1086	654	1086	654
T&S Testing	393	189	393	189
Totals	2039	1753	2039	1753

Contact Persons:

Richard M. Cornforth
 Manager, T&D Reliability
 (215) 841-5843
richard.cornforth@peco-energy.com

Brian D. Crowe
 Director, Rates & Regulatory Affairs
 (215) 841-53161
brian.crowe@peco-energy.com

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Orange & Rockland
a conEdison, inc. company
(845) 577-3692
2004 07 02 AM 10:16
SECRETARY'S BUREAU

Orange and Rockland Utilities, Inc.
390 West Route 59
Spring Valley NY 10977-5300
www.oru.com

July 7, 2004

Pennsylvania Public Utility Commission
Attention: Secretary James J. McNulty
P.O. Box 3265
Harrisburg, PA 17105-3265

ORIGINAL

DOCUMENT

Re: Second Quarter 2004 Quarterly Report for Pike County Light and Power
PUC Docket No. L-00030161; Rulemaking Re Amending Electric Service
Reliability Regulations At 52 Pa. Code Chapter 57

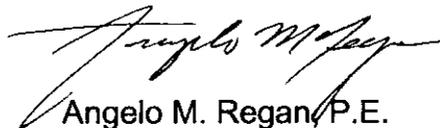
Dear Secretary McNulty:

Pike County Light & Power Company ("Pike") hereby submits six copies of its Second Quarter 2004 quarterly report as set forth in the Pennsylvania Public Utility Commission's ("Commission, PUC") Docket No. L-00030161 proposed Rulemaking Re Amending Electric Service Reliability Regulations At 52 Pa. Code Chapter 57 ("Order"), and as per your letter dated September 8, 2003, clarifying the quarterly reporting requirement timeframes as set forth in Annex A at Section 57.195(d) of the Order.

As such, Pike's quarterly reporting requirements, as set forth in Section 57.195(e) (1) (2) and (5) of the Order, are enclosed.

Please contact me if you have any questions regarding this report or require any additional information.

Very truly yours,



Angelo M. Regan, P.E.
Chief Distribution Engineer
Pike County Light and Power
(Orange and Rockland Utilities, Inc.)

cc: Office of Consumer Advocate
Office of Small Business Advocate

Enclosures

62

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**Pike County Light and Power Company
(Orange and Rockland Utilities, Inc.)**

**Second Quarter Report
2004**

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DEC 07 2004

DOCUMENT

**Pike County Light and Power Company
Second Quarter Report**

2004

Major Events

There were no major events for the 2nd quarter of 2004.

**Pike County Light and Power Company
Second Quarter Report**

2004

Pre-Arranged Outages

There were no Pre-Arranged outages for the 2nd quarter of 2004.

**Pike County Light and Power Company
Second Quarter Report**

2004

Interruption Data

Year	Mth	Customers Served Month	Customers Served Y-T-D	Customers Served Rolling 12	Interr Month	Interr Y-T-D	Interr Rolling 12	Customers Affected Month	Customers Affected Y-T-D	Customers Affected Rolling 12	Cust Min Interr Month	Cust Min Interr Y-T-D	Cust Min Interr Rolling 12
2004	1	4,348	4,348	4,328	2	2	57	39	39	2,278	8,290	8,290	412,146
2004	2	4,358	4,353	4,334	0	2	51	0	39	2,183	0	8,290	403,714
2004	3	4,352	4,352	4,339	0	2	49	0	39	2,169	0	8,290	399,077
2004	4	4,362	4,354	4,344	2	4	50	80	119	2,236	10,832	19,122	408,310
2004	5	4,349	4,353	4,348	7	11	52	276	395	2,447	60,611	79,733	459,386
2004	6	4,365	4,355	4,351	7	18	53	226	621	2,059	22,575	102,308	355,415
2004	7												
2004	8												
2004	9												
2004	10												
2004	11												
2004	12												

**Pike County Light and Power Company
Second Quarter Report**

2004

Performance Ratios

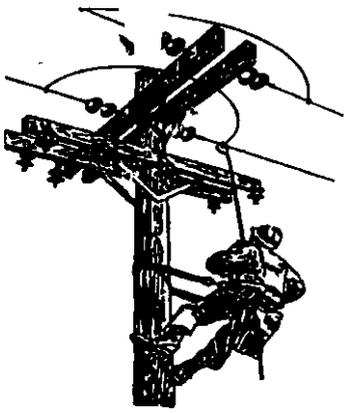
Year	Month	Frequency Month (SAIFI)	Frequency Y-T-D (SAIFI)	Frequency Rolling 12 (SAIFI)	Restoration Month (CAIDI)	Restoration Y-T-D (CAIDI)	Restoration Rolling 12 (CAIDI)	Duration Month (SAIDI)	Duration Y-T-D (SAIDI)	Duration Rolling 12 (SAIDI)
2004	1	0.01	0.01	0.53	213	213	181	2	2	95
2004	2	0.00	0.01	0.50	0	213	185	0	2	93
2004	3	0.00	0.01	0.50	0	213	184	0	2	92
2004	4	0.02	0.03	0.51	135	161	183	2	4	94
2004	5	0.06	0.09	0.56	220	202	188	14	18	106
2004	6	0.05	0.14	0.47	100	165	173	5	23	82
2004	7									
2004	8									
2004	9									
2004	10									
2004	11									
2004	12									

**Pike County Light and Power Company
Second Quarter Report**

2004

Second Quarter Cause Analysis

Cause	Interr	Interr	Interr	Interr	Cust Aff	Cust Aff	Cust Aff	Cust Aff	Cust Min	Cust Min	Cust Min	Cust Min
	2nd Qtr	2nd Qtr	Y-T-D	Y-T-D	2nd Qtr	2nd Qtr	Y-T-D	Y-T-D	2nd Qtr	2nd Qtr	Y-T-D	Y-T-D
		(%)		(%)		(%)		(%)		(%)		(%)
Animal Contact	1	6.3%	1	5.6%	3	0.5%	3	0.5%	174	0.2%	174	0.2%
Tree Contact	7	43.8%	7	38.9%	139	23.9%	139	22.4%	22,930	24.4%	22,930	22.4%
Overload	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Work Error	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Equipment Failure	2	12.5%	2	11.1%	9	1.5%	9	1.4%	2,472	2.6%	2,472	2.4%
Non-Company Accidents	3	18.8%	4	22.2%	62	10.7%	82	13.2%	32,477	34.5%	39,437	38.5%
Pre-Arranged	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Cust Equipment	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Lightning	3	18.8%	3	16.7%	369	63.4%	369	59.4%	35,965	38.3%	35,965	35.2%
Unknown/Other	0	0.0%	1	5.6%	0	0.0%	19	3.1%	0	0.0%	1,330	1.3%
All Causes	16	100.0%	18	100.0%	582	100.0%	621	100.0%	94,018	100.0%	102,308	100.0%



CITIZENS' ELECTRIC COMPANY

1775 INDUSTRIAL BLVD • P.O. BOX 551 • LEWISBURG, PA 17837-0551 • (570) 524-2231 • FAX: (570) 524-5887

July 28, 2004

ORIGINAL

DOCUMENT FOLDER

Mr. James J. McNulty
Bureau of Fixed Utility Services
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

L-00030161

Dear Secretary McNulty,

Enclosed please find an original and six copies of the Second Quarter, 2004 Reliability Report for Citizens' Electric Company.

Please contact me at 570-522-6143 or kelchnerj@citizenselectric.com if I can answer any questions.

Sincerely,

John A. Kelchner, PE
Sr. Director of Engineering & Operations

cc: Pennsylvania Office of Consumer Advocate
Pennsylvania Office of Small Business Advocate

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JUL 30 2004
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Citizens' Electric Company
Quarterly Service Reliability Report

Second Quarter, 2004

Prepared by John A. Kelchner, PE
570-522-6143

kelchnerj@citizenselectric.com

July 29, 2004

DOCKETED
SEP 28 2004

1. Major Events

Date	Time	Duration	Customers Affected	Cause
4/26/2004	11:10	60 Minutes	1,140	Equipment Failure (cutout)
5/2/2004	18:06	55 Minutes	1,100	Other (Off r/w tree in strong storm)
6/13/2004	16:53	40 Minutes	1,140	Other (Off r/w tree, customer pulled off telephone line, shook poles causing phases to contact)

2. Rolling 12-Month Index Values, During Preceding Quarter

SAIFI	SAIDI	CAIDI	Total # of Customers Served	# of Interruptions	# of Customers Interrupted	Customer Minutes
0.52	39	76	6,481	44	3,338	252,407

5. Rolling 12-Month Outage Analysis During Preceding Quarter

Outage Cause	Number of Interruptions	% of Interruptions	Number of Customers Affected	Customer Minutes
Trees	2	4	52	2,045
Animals	10	23	175	10,761
Equipment	13	30	616	58,386
Other	19	43	2,495	181,215
Total	44	100	3,338	252,407

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Discussion

The second quarter was another stormy period in our area. Several strong thunderstorms affected the region in May. The distribution system generally performed well during these events. However, we did experience a few lightning related outages, reflected in the "other" category above.

To reduce animal related outages, we are continuing our practice of installing fiberglass cutout/arrestor brackets and bushing wildlife protectors on new transformer installations and at historically troublesome locations. This should continue to have a positive impact on this type of outage.

We continue to receive compliments regarding our fast response times when outages do occur, and we are constantly striving to reduce outages whenever possible.

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JUL 30 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Brian D. Crowe
Director
Rates & Regulatory Affairs

Telephone 215.841.5316
Fax 215.841.6331
www.exeloncorp.com
brian.crowe@peco-energy.com

PECO Energy Company
2301 Market Street, 515-2
Philadelphia, PA 19103

Mail To: P.O. Box 8699
Philadelphia, PA 19101-8699

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JUL 29 2004

July 29, 2004

Federal Express

Mr. James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Second Floor
Harrisburg, Pennsylvania 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DOCUMENT
FOLDER

Re: PUC Docket No. L-00030161; Rulemaking Re Amending Electric Service Reliability Regulations at 52 Pa. Code Chapter 57

Dear Secretary McNulty:

In accordance with the September 8, 2003 Secretarial Letter issued at PUC Docket L-00030161 and pending publication of the final form regulations, attached please find an original and six copies of PECO Energy's 2004 Quarterly Reliability Report for the period ending June 30, 2004.

Because portions of the report contain sensitive and proprietary information, PECO Energy is filing two versions of the report, one public and one proprietary. PECO Energy requests that the proprietary report, which has been separated and clearly marked with a "Confidential and Proprietary" header on each page, be kept confidential, pursuant to commission procedures. If you have any further questions, please do not hesitate to contact me at 215-841-5316.

Sincerely,



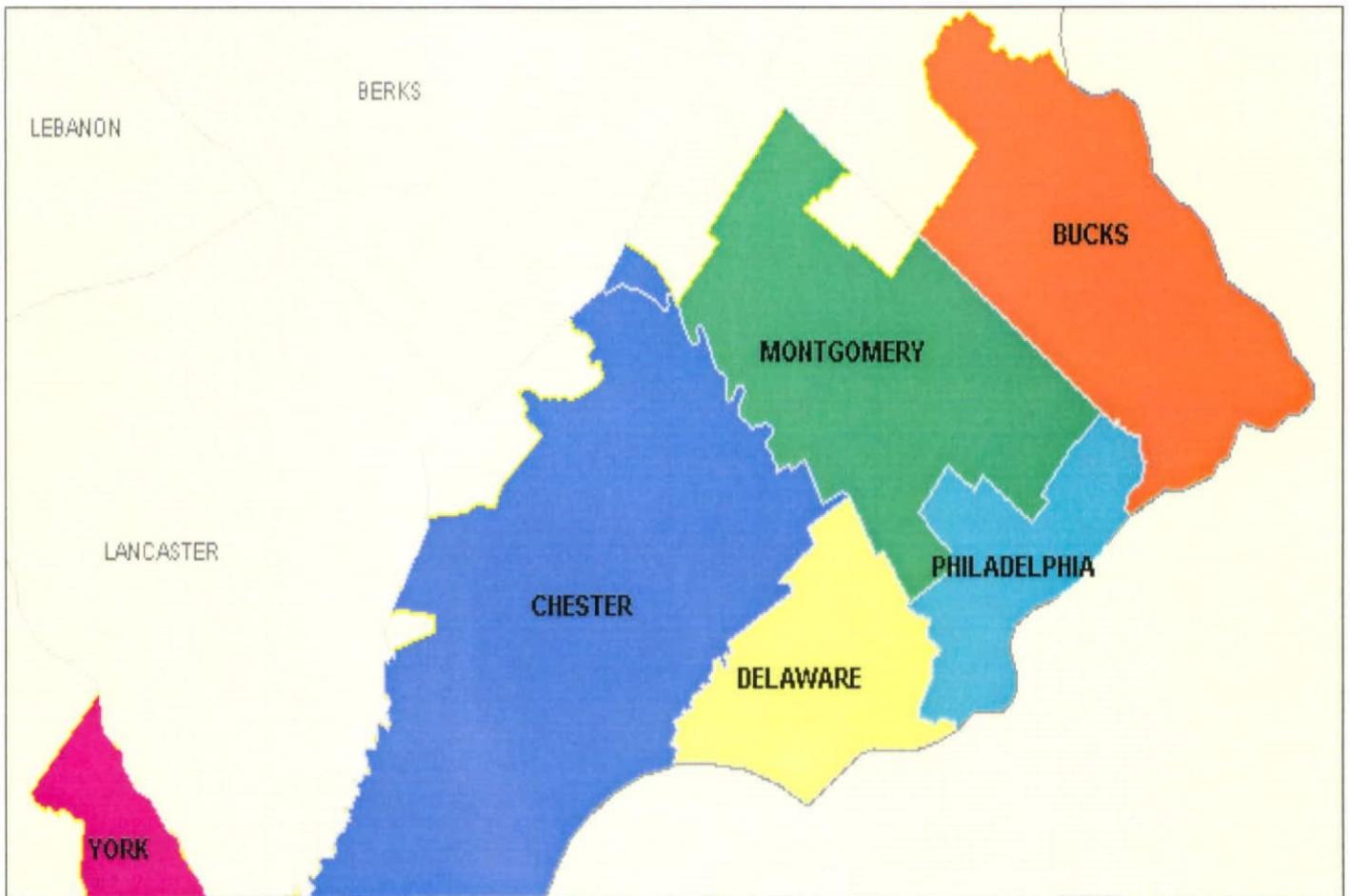
cc: Office of Consumer Advocate
Office of Small Business Advocate

enclosure(s)

WJP/mpb

102

**PECO Energy Company
Quarterly Reliability Report
For Period Ending June 30, 2004**



August 1, 2004

**DOCUMENT
FOLDER**

PECO Energy ("PECO")
Quarterly Reliability Report for the Period Ending June 30, 2004
filed with the Pennsylvania Public Utility Commission

Submitted per Rulemaking Re: Amending Electric Service, Docket No. L-00030161 Reliability Regulations at 52 Pa.Code Chapter 57

Section 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".

PECO experienced no major events in the second quarter of 2004.

Section 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".

PECO Customers	Sustained Customer Interruptions	Sustained Customer Hours	Momentary Customer Interruptions	Sustained Customer Minutes	SAIFI	CAIDI	SAIDI	MAIFI
1,602,490	1,589,314	2,835,090	1,576,160	170,105,392	0.99	107	106	0.98

**Data reflects 12 months ending 6/30/2004

SAIFI, CAIDI, and SAIDI are all better than the respective benchmarks and standards established on May 7, 2004. No benchmark or standard was established for MAIFI.

Section 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."

PECO's worst performing 5% of circuits for 2004 were selected based on a balanced scorecard including frequency and duration of interruptions and the number of customers experiencing more than three interruptions in a year. Each of these factors was considered from the perspective of its contribution to system totals and on the basis of the individual circuit. The selection process required six factors:

1. Rolled up customer interruptions – a count of all the customer interruptions on a given circuit and on other circuits for which it is a source, due to outages on the given circuit in 12 months. This measure is oriented toward contribution to system SAIFI.
2. Circuit SAIFI – the 12-month average frequency of interruptions to customers on a given circuit. This measure is oriented toward local frequency of interruptions.
3. Rolled up customer hours of interruption – a count of all the customer hours of interruption on a given circuit and other circuits for which it is a source, due to outages on the given circuit in 12 months. This measure is oriented toward contribution to system SAIDI, which is in turn a weighted contribution to system CAIDI.
4. Circuit SAIDI – the 12-month average total duration of interruptions to customers on a given circuit. This measure is oriented toward local duration of interruptions.

5. Customers with more than 3 interruptions – a count of the number of customers on a circuit who experienced more than three interruptions in a year. This measure is oriented toward contribution to the total number of customers with more than three interruptions on the system.
6. Percent of customers with more than 3 interruptions – the percent of customers on a circuit who experienced more than three interruptions in a year. This measure is oriented toward the local occurrence of repeat interruptions.

Weights were applied to these six factors to combine them into a single score for each circuit. The weights were chosen to index the individual factors to 100, account for differences in range among the factors, and balance system total interruption values with single-circuit interruption values. The circuits were then ranked by this combined score and selected in rank order for remediation in 2004.

This ranking system was different from that used at PECO in 2003. Fourteen circuits that were analyzed as part of the 2003 rolling worst circuits program were placed at the top of PECO's 5% worst circuits list for 2004. The resulting list of 111 circuits represents 5% of PECO's total. The reliability index values and remedial efforts reported on all of PECO's quarterly reliability reports for 2004 will refer to these 111 circuits.

Section 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."

12 Months Ending 2 nd Quarter 2004			
Cause	Customers Interrupted	% Of Customers Interrupted	Customer Minutes
Animal Contact	28,197	1.8%	2,428,336
Equipment Failure	427,945	26.9%	41,421,579
Other	693,804	43.7%	68,963,204
Trees	439,368	27.6%	57,292,273

The largest contributor to customer interruptions was tree-related incidents followed by equipment failure. The "other" category is a combination of smaller contributors, the largest of which are public damage, loss of supply from the substation bus, and lightning. The PECO service territory experienced 12 storms containing lightning activity during the 12-month reporting period.

Section 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)."

Under its formal, comprehensive, predictive and preventive maintenance program, PECO performs equipment maintenance to help ensure safe and reliable system operation. Vegetation in the proximity of the system is pruned and controlled under a formalized Vegetation Management program that seeks to protect the electric facilities while minimizing the environmental impact. PECO is constantly searching for new ways to apply emerging technologies to the essential task of performing the most effective maintenance at the right time.

Predictive and Preventive Maintenance Program – status as of 06/30/04					
	2 nd Quarter Tasks		YTD Tasks		2004 Total Planned
	Planned	Complete	Planned	Complete	
Manhole Inspections	593	0	893	300	2077
Circuit Patrol & Thermography	360	316	920	926	920
Recloser Inspections	88	0	88	0	353
Center City Network Inspections	314	130	314	130	211
T&S Maintenance	1086	1024	2172	1678	4337
T&S Testing	390	182	783	371	1348
Totals	2831	1652	5170	3405	9246

- Note: "T&S" denotes transmission and substations.

Vegetation Management Preventive Maintenance Program – status as of 06/30/04					
	2 nd Quarter Miles		YTD Miles		2004 Total Planned
	Planned	Complete	Planned	Complete	
Distribution Lift and Manual Trimming	494	548	1078	1151	2096
Transmission Trimming and Removals	52	48	86	75	221
Totals	546	596	1164	1226	2317

Contact Persons:

Richard M. Cornforth
 Manager, T&D Reliability
 (215) 841-5843
richard.cornforth@peco-energy.com

Brian D. Crowe
 Director, Rates & Regulatory Affairs
 (215) 841-5316
brian.crowe@peco-energy.com



ORIGINAL

UGI Utilities, Inc.
Hanover Industrial Estates
400 Stewart Road
Post Office Box 3200
Wilkes Barre, PA 18773-3200

(570)830-1222 Telephone

July 30, 2004

Via Federal Express

L - 000 30161

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

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AUG 02 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RE: Quarterly Electric System Reliability Report
12 Months Ending June 30, 2004

Dear Secretary McNulty:

Pursuant to the Commission's Final Rulemaking order addressing Electric Service Reliability (52 Pa. Code §§57.191 – 57.197) at Docket No. M-00991220, UGI Utilities, Inc. – Electric Division ("UGI") hereby files an original and six copies of its Quarterly System Reliability Report. This report contains SAIDI, SAIFI, and CAIDI results on a 12 month rolling basis for the period ending June 30, 2004. Also included is the raw data utilized in the development of the results as well as the breakdown of outages by cause for the 12 months ending June 30, 2004.

Any questions related to the attached report should be directed to Mr. Brian J. Fitzpatrick at (610) 796-3474.

Please acknowledge receipt of this filing by date stamping the enclosed copy of this letter and returning it in the enclosed stamped, self-addressed envelope.

Sincerely,

David C. Beasten
Director, Electric Power Supply and Rates

Attachment

CC: Office of Consumer Advocate
Office of Small Business Advocate
Bureau of Audits

142

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L-00030161



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AUG 02 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

UGI Utilities, Inc. – Electric Division
System Reliability Report:
Quarterly Update

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SEP 28 2004
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August 1, 2004

UGI Utilities, Inc. – Electric Division
Reliability Indices

§ 57.195(e)(1)

No major events occurred during the preceding quarter.

§ 57.195(e)(2)

The reliability results for UGI's service area for the 12 month period ending June 30, 2004 are as follows:

Rolling 12-Month Ending June 2004 Reliability Statistics

	SAIFI	SAIDI	CAIDI
Results	0.91	116	127
Benchmark	0.83	140	169
Standard	1.12	256	228

Note: SAIFI – System Average Interruption Frequency Index
SAIDI – System Average Interruption Duration Index
CAIDI – Customer Average Interruption Duration Index

SAIFI

The effects of the abnormally high degree of storminess during the summer and fall of 2003 continue to negatively impact SAIFI results for the period of this report. However, the 0.91 value over the 12 month period ending June 30, 2004 still falls midway between the benchmark and standard included in the Secretarial Order on Reliability Benchmarks and Standards issued on May 7, 2004 at Docket No. L-00030161. Because of the 12-month rolling basis for this report, SAIFI should continue to run between the Standard and Benchmark on subsequent quarterly reports until the two or three months which are skewing the results are no longer part of the 12 month basis. As part of normal operations, UGI will continue to monitor SAIFI to ensure that factors within UGI's control do not contribute to a degradation of this index.

SAIDI

The SAIDI value for the 12 months ending June 30, 2004 was 116. This continues to fall below both the standard and benchmark adopted for UGI.

CAIDI

The CAIDI result of 127 for the 12 month period ending June 30, 2004 remains well below the benchmark and standard.

UGI Utilities, Inc. – Electric Division
Reliability Indices

The number of outages caused by Hurricane Isabel in September, 2003 was significant for UGI but not enough to meet the criteria of a Major Event and as a result these outages are included in UGI's results. This was not the case for many of our surrounding EDC's which results in an unfavorable inter-company comparison with neighboring utilities.

UGI Utilities, Inc - Electric Division
 System Reliability - Raw Data
 § 57.195(e)(2)
 July 2003 - June 2004

	Raw Data		
	TCI	TCB	TMCI
July-03	13,116	61,617	1,950,215
August-03	12,292	61,591	1,140,186
September-03	5,777	61,628	1,237,363
October-03	6,407	61,655	325,314
November-03	6,664	61,716	942,265
December-03	44	61,780	5,659
January-04	182	61,822	16,107
February-04	297	61,863	37,411
March-04	311	61,852	28,234
April-04	1,299	61,778	177,383
May-04	4,989	61,705	771,748
June-04	5,078	61,671	518,961

TCI: Total Customers Interrupted
 TCB: Total Customers
 TMCI: Total Customer Minutes Interrupted

UGI Utilities, Inc - Electric Division
 System Reliability - Outage by Cause Analysis
 § 57.195(e)(5)
 July 2003 - June 2004

Outage Cause	% Of Total Incidents	Number of Interruptions	Customers Interrupted	Minutes Interrupted
Animal	11.51%	84	1,608	101,897
Construction Error	1.23%	9	173	73,847
Customer Problem	0.68%	5	9	1,151
Equipment Failure	29.73%	217	6,300	632,866
Structure Fire	0.68%	5	2,062	92,192
Lightning	13.56%	99	22,060	2,013,598
Motor Vehicle	2.19%	16	326	32,084
Public	3.56%	26	1,129	80,200
Trees	25.34%	185	16,278	2,667,210
Unknown	2.74%	20	662	49,883
Weather/Wind	8.08%	59	5,845	1,404,557
Weather/Ice	0.55%	4	4	1,269
Other	0.14%	1	1	92
Total	100.00%	730	56,456	7,150,846



Duquesne Light

A DQE Company

Regulatory Affairs Unit
411 Seventh Avenue 15-4
Pittsburgh, Pennsylvania 15219

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August 2, 2004

VIA OVERNIGHT MAIL DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, Pennsylvania 17105-3265

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AUG 02 2004
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Dear Mr. McNulty:

Enclosed for filing please find an original and six (6) copies of Duquesne Light Company's reliability report for the quarter ended June 30, 2004, submitted in response to the Final Rulemaking Order Amending Electric Service Reliability Regulations at L-00030161 as published on May 20, 2004.

If you have any questions regarding the information provided, please contact me at (412) 393-6334 or nkrajovic@duqlight.com.

Please return a date-stamped copy of this letter in the enclosed self-addressed, stamped envelope.

Sincerely,

Nancy J. D. Krajovic
Manager, Regulatory Affairs

Enclosures

c: Ms. K. O. Moury - Bureau of CEEP
Mr. I. A. Popowsky - Office of Consumer Advocate
Mr. W. R. Lloyd - Office of Small Business Advocate

w/ enclosure

"

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143

DUQUESNE LIGHT COMPANY
QUARTERLY RELIABILITY REPORT
AUGUST 1, 2004

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AUG 02 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE
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57.195 Reporting Requirements

(d)(2) The name, title, telephone number and e-mail address of the persons who have knowledge of the matters, and can respond to inquiries

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(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

May 21, 2004

At approximately 0500 hours on Friday, May 21, 2004, severe thunderstorms with damaging lightning, very heavy rains, hail and winds gusting in excess of 55 mph, swept through Allegheny and Beaver Counties causing widespread outages throughout our service area.

This caused downed power lines, trees and significant damage to our poles and equipment.

The total number of customers affected by this storm was 142,000.

Over 131 primary wires, 23 secondary wires, 154 individual service drops, 44 transformers and 17 poles were replaced.

At its peak, the storm response effort involved over 165 Duquesne Light lineworkers, 30 troubleshooters, 12 contract lineworkers and 14 tree contractors. This workforce was augmented utilizing our emergency response team of technicians, engineers, internal support and field resources, operations, media relations, customer service, work management, materials and transportation. Overall, an estimated 268 people contributed to this restoration effort.

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June 14, 2004

At approximately 1930 hrs on Monday, June 14, 2004 severe thunderstorms with damaging lightning, heavy rains and high winds caused widespread outages throughout our service area.

At 1648 hours on June 14, 2004, the National Weather Service issued a severe thunderstorm watch for both Allegheny and Beaver counties.

At the peak of this storm, approximately 60,000 customers were out of power. A second storm swept through our service area at 1645 hours on Tuesday, June 15, 2004, creating an additional 10,000 outages.

As of 0100 hours on Wednesday, June 16, 2004, customers out of power from the initial wave of storms had been restored.

Approximately 101,000 customers had experienced service interruptions throughout the course of these storms.

Modified Procedures

23KV Distribution System Protection

In 2003, Duquesne Light developed a program to modify the protection schemes of our 23 KV distribution system, and to survey overhead circuits to select locations for installation of branch fuses.

At the time of this filing, we have completed the lateral fuse installations on nineteen circuits and identified eleven other circuits to be addressed in 2004.

In conjunction with the fuse installations, we have modified the substation breaker settings to allow the branch fuses to clear faults on lateral branches. This will enable troubleshooters to locate faulted sections more quickly. The substation breaker settings have been modified for all 23 KV distribution circuits.

Storm Preparedness Plan

In early June, we reviewed the May 21 storm, and developed action items based on improvement opportunities identified by that analysis.

We have completed and implemented the following improvements:

- Technicians are now using a comprehensive punch list to ensure thorough investigation of job sites during storms.

- We are now using consistent work tracking numbers between data collection systems to improve accuracy of outage data entry,

- All technicians received refresher storm training and all have updated copies of the storm training manual.

(e)(2) Rolling 12-month reliability index values (SAIFI, CAIDI, SAIDI, and if available, MAIFI) for the electric distribution company'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.

RELIABILITY BENCHMARKS AND STANDARDS

Duquesne Light Company

System Performance Measures with Major Events Excluded

Entire System				
Year	SAIDI	SAIFI	CAIDI	MAIFI
2000	109	1.26	87	*
2001	79	1.02	78	*
2002	121	1.32	92	*
Benchmark	126	1.17	108	*
12 Month Standard	182	1.40	130	*
2004 2Q (Rolling 12 mo)	105	1.18	89	*

* Sufficient information to calculate MAIFI is unavailable.

Data used in calculating the indices

Total KVA interrupted for the period: 9,716,487 KVA
 Total KVA-minutes interrupted: 1,091,793,563 KVA-Minutes
 System connected load as of 6/30/04: 6,377,671 KVA

Impact of July 7, 2003 Major Event: 711,507 KVA (11.3% of system load)
 165,535,703 KVA-Minutes

Impact of May 21, 2004 Major Event: 852,416 KVA (13.4% of system load)
 138,717,705 KVA-minutes

Impact of June 14, 2004 Major Event: 659,541 KVA (10.4% of system load)
 119,876,275 KVA-minutes

Formulas used in calculating the indices

$$\text{SAIFI} = \frac{(\text{Total KVA interrupted}) - (\text{KVA impact of Major Events})}{\text{System Connected KVA}}$$

$$\text{SAIDI} = \frac{(\text{Total KVA-minutes interrupted}) - (\text{KVA-minute impact of Major Events})}{\text{System Connected KVA}}$$

$$\text{CAIDI} = \text{SAIDI/SAIFI}$$

(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 electric distribution company defines its worst performing circuits shall be included.

Circuit *newly added circuits	Connected KVA	KVA Minutes Interrupted	KVA Interrupted	Circuit SAIDI	Circuit SAIFI	Circuit CAIDI
Raccoon 23620	38,191	7,406,151	110,335	194	2.89	67
Raccoon 23622	37,650	18,207,034	196,066	484	5.21	93
Ambridge 23635	30,062	3,824,654	65,413	127	2.18	58
Phillips 23660*	28,195	12,157,217	116,757	431	4.14	104
Montour 23670	32,500	3,574,338	57,470	110	1.77	62
Montour 23674	33,230	3,438,726	67,444	103	2.03	51
Montour 23675	34,555	7,854,439	38,158	227	1.10	206
Woodville 23681*	29,868	4,000,407	16,792	134	0.56	238
North 23704	31,832	10,115,920	119,049	318	3.74	85
Pine Creek 23710	29,338	6,440,081	49,830	220	1.70	129
Pine Creek 23711*	29,717	7,683,564	126,014	259	4.24	61
Pine Creek 23715	31,490	2,388,522	18,842	76	0.60	127
Pine Creek 23716*	31,987	11,361,403	113,042	355	3.53	101
Dravosburg 23750*	30,654	7,504,392	89,368	245	2.92	84
Wilmerding 23760	39,320	7,746,333	97,708	197	2.48	79
Arsenal 23840	42,005	3,587,972	36,103	85	0.86	99
Mount Nebo 23870	28,855	6,640,015	30,350	230	1.05	219
Rankin 23880	46,888	2,861,107	65,873	61	1.40	43
Logans Ferry 23920	38,993	9,060,186	184,797	232	4.74	49
Evergreen 23953*	30,530	27,650,035	268,153	906	8.78	103

Circuits removed from list 2Q 2004	Connected KVA	KVA Minutes Interrupted	KVA Interrupted	Circuit SAIDI	Circuit SAIFI	Circuit CAIDI
Midland-Cooks Ferry 22869	34,326	62,393,397	351,158	1818	10.23	178
Sewickley 23630	32,967	16,082,485	67,014	488	2.03	240
Woodville 23683	43,130	19,438,090	109,372	451	2.54	178
Valley 23783	38,192	9,643,528	119,319	253	3.12	81
Elwyn 23805	23,977	4,515,258	114,690	188	4.78	39
Plum 23902	21,885	9,367,300	60,728	428	2.77	154

Circuit performance is based on an annual statistical evaluation performed by SGS Statistical Services. Scores are assigned to each circuit based on time-weighted, multi-year outage data. The composite scores include analysis of outage duration, outage frequency, mean time between failures, and customers served by each circuit. The results are available in May. After analyzing these scores and ranking circuits' performance, we have added six new circuits to the list. Six circuits have been removed from the list, since all remedial plans have been completed. We will continue to monitor the performance of these circuits for the desired results.

Additionally, throughout the year, Duquesne Light's Asset Management group monitors the number of operations of automatic devices (circuit breakers, sectionalizers, reclosers, and fuses) to identify smaller pockets of customers experiencing frequent outages. This analysis goes beyond the overall circuit level, and is a proactive method of addressing small areas before they begin to affect circuit or system performance indices. This information is used throughout the year to plan and prioritize additional reliability projects. Projects identified by this method are rolled into the work plan on an ongoing, dynamic basis.

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

Circuit (*newly added)	Remedial Actions Planned or Taken
Raccoon	23620 Overloaded step-down transformers have been addressed as well as adding capacitors to the circuit. Vegetation Management project initiated 4/13/2004. Substation breaker settings modified. Circuit D23662 is being designed to reduce exposure and connected KVA on this circuit.
Raccoon	23622 As part of the 2003 circuit ownership program, identified and repaired failed lightning arresters and replaced faulty strain insulators. Relieved overloaded step-down transformers. Infrared inspection June 29, 2004, Underground Maintenance Plan currently in development.
Ambridge	23635 Vegetation Management completed in 2003. Targeted for lateral line fusing project to eliminate instantaneous breaker trips and reduce momentaries, which will allow faster problem resolution and reduce circuit exposure to vegetation issues.
Phillips	23660* The slow responding Phillips – Sheffield breaker on circuit 22848 caused the breaker on D23660 to clear several times dropping D23660. The slow responding breaker was replaced in November 2003. Lateral fuses were installed in 2004.
Montour	23670 New circuit Findlay D23613 is being installed to reduce exposure and connected KVA on this circuit.
Montour	23674 Under 2003 circuit ownership program, identified and repaired failed lightning arresters and replaced faulty strain insulators.
Montour	23675 New circuit Findlay D23613 is being installed to reduce exposure and connected KVA on this circuit. Relieved overloaded step-down transformers on this circuit.
Woodville	23681* Overloaded step-down transformers on this circuit were relieved in July 2003. Investigating circuit load block sizes for possible reconfiguration.
North	23704 Vegetation Management completed in 2003. New Wildwood substation is being planned near this circuit, which will allow reduced exposure and connected KVA on this circuit.
Pine Creek	23710 New circuit Pine Creek D23718 is planned to reduce exposure and connected KVA on this circuit.
Pine Creek	23711* New Wildwood substation is being planned which will provide load relief to this circuit. Reducing exposure should improve circuit performance.
Pine Creek	23715 New Wildwood substation is being planned near this circuit, which will allow reduced exposure and connected KVA on this circuit. Vegetation Management line clearance project initiated 2/11/04.
Pine Creek	23716* Vegetation Management is scheduled for 2004. New Wildwood substation is being planned near this circuit, which could then be utilized to reduce load and exposure if warranted.
Dravosburg	23750* Vegetation Management completed in 2003. Replacement of a manually operated tie switch with a remotely controlled automatic sectionalizer is scheduled for construction by the end of 2004.
Wilmerding	23760 New Port Perry substation is being built near this circuit, which will provide new circuit Port Perry D23970 to greatly reduce this circuit's exposure and connected KVA. Lateral fuses installed 6/1/04. Infrared inspection completed 6/17/04.
Arsenal	23840 Extended circuit Arsenal D23844 to reduce exposure and connected KVA from this circuit. Vegetation Management contract awarded to contractor line clearance work to begin in July.
Mount Nebo	23870 Repaired sectionalizer that had misoperated. Vegetation Management completed in 2003. New circuit Mount Nebo D23871 is planned to reduce exposure and connected KVA on this circuit. Lateral fuses installed 2/5/04.
Rankin	23880 New Homestead substation is being built near this circuit in 2004, and will provide new circuits to greatly reduce this circuit's exposure and connected load.
Logans Ferry	23920 Vegetation Management completed in 2002. Lateral fuses installed 2/23/04. Infrared inspection 6/17/04. Future distribution circuits out of Logans Ferry Substation for the Oakmont elimination and proposed California Substation will greatly reduce exposure and connected KVA.
Evergreen	23953 Repositioned a sectionalizer in October of 2003 to divide connected load on two load blocks. A replacement of a sectionalizer with a recloser, and the installation of an additional sectionalizer are scheduled for this circuit by the end of 2004.

Summary of remedial efforts completed for circuits being removed from the worst performing circuit list

Circuits removed 2Q 2004	Remedial Actions Completed
Midland-Cooks Ferry	22869 Vegetation Management completed in 2002. Substation breaker settings modified. Lateral fuses installed 5/3/04.
Sewickley	23630 Vegetation Management completed in 2003. Installed new sectionalizer to segment load. Piloted lateral line fusing project on this circuit and eliminated instantaneous breaker trips to reduce momentaries, allow faster resolution and reduce circuit exposure to vegetation issues.
Woodville	23683 Vegetation Management completed in 2002. Installed lateral line fuses (3/30/04) to eliminate instantaneous breaker trips and reduce momentaries, which will allow faster problem resolution and reduce circuit exposure to vegetation issues.
Valley	23783 Vegetation Management completed in 2002. Lateral fuses installed to eliminate instantaneous breaker trips and reduce momentaries, which will allow faster problem resolution and reduce circuit exposure to vegetation issues.
Elwyn	23805 Vegetation Management completed in 2002. Two new South Hills circuits (D23856, D23857) were energized in 2003 to reduce exposure and connected KVA on this circuit.
Plum	23902 Part of the 2003 circuit ownership program to investigate equipment on the circuit and make appropriate repairs. Evergreen D23954 was energized in December 2002, which greatly reduced exposure and connected KVA. Lateral fuses installed May 2004.

(e)(4) (continued)

In addition to the specific circuit items mentioned above, a program to ensure that the distribution system is ready to withstand heat and storm seasons was developed for implementation in 2003. This program's focal points included ensuring that automatic switching devices are in good working order; addressing small groups of customers experiencing repeated outages; and the development of a long-term plan for addressing underground cable failures.

As a direct result of this initiative, we completed 1200 preventive and corrective maintenance projects on half of the fleet of automatic sectionalizers and reclosers in 2003. We are completing a similar project on the other half of the fleet in 2004.

As of June 30, we have completed 93% of scheduled preventive maintenance projects (526 of 565), and 89% of scheduled corrective maintenance projects (366 of 412). The remainder will be completed within the third quarter.

(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

July 1, 2003 through June 30, 2004

Cause	No of Outages	Outage Percentage	KVA Total	KVA Percentage	KVA-Minute Total	KVA-Minute Percentage
Storms:	992	28%	3,441,339	36%	487,086,423	45%
Tree Growth and Contact	203	6%	422,748	4%	50,074,294	5%
Tree (Falling Limb or Tree)	535	15%	1,163,533	12%	183,875,309	17%
Equipment Failures	961	28%	3,313,292	34%	246,177,187	23%
Overload	211	6%	168,542	2%	14,345,922	1%
Vehicles	139	4%	210,883	2%	21,581,758	2%
All Other:	449	13%	969,065	10%	84,234,716	8%
Total	3,490	100%	9,689,402	100%	1,087,375,609	100%

(e)(6) Quarterly and year-to-date information on progress toward meeting transmission and distribution inspection and maintenance goals/ objectives

Program	Unit	2nd Qtr Target	2nd Qtr Actual	YTD Target	YTD Actual
Communications	Work Hours	9687.5	8011.5	19375	16496.3
Overhead Distribution	Work Hours	8792.25	10360.1	17584.5	19575
Overhead Transmission	Work Hours	484.75	381	969.5	624
Substation	Work Hours	16407.25	15937.2	32814.5	35156.8
Underground Distribution	Work Hours	6274	4100.9	12548	8172.2
Underground Transmission	Work Hours	442.5	332	885	713.5
Vegetation Management	Miles	336	233.64	672	566.51

(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.

Program	2nd Qtr Actual	2nd Qtr Budget	YTD Actual	YTD Budget
Communications	365,689	426,537	755,080	853,074
Overhead Distribution	461,302	482,009	1,043,774	964,017
Overhead Transmission	375,286	284,369	419,882	568,738
Substation	825,486	885,275	1,782,091	1,770,550
Underground Distribution	181,547	307,925	416,643	615,850
Underground Transmission	17,504	64,505	33,172	129,010
Vegetation Management	1,654,745	1,376,560	3,099,597	2,753,119
Restoration of Service	1,193,275	946,910	2,188,854	1,893,821
Customer Commit	503,734	272,010	870,453	544,020
Non Work Plan and Admin Items	16,807,568	17,535,671	32,892,033	35,728,360
Total	22,386,134	22,581,769	43,501,578	45,820,557

(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.

Program	Quarterly Actual	Quarterly Budget	YTD Actual	YTD Budget
4kV Conversion	\$790,178	\$510,501	\$1,496,639	\$1,021,003
Capacity Enhancements	\$2,582,612	\$2,569,479	\$5,823,554	\$5,138,958
Communications	\$486,586	\$908,791	\$781,674	\$1,817,581
Customer Commit	\$5,367,346	\$3,964,955	\$10,833,600	\$7,929,910
Customer Operations	\$1,018,015	\$750,000	\$1,444,224	\$1,500,000
Facilities	\$233,406	\$139,768	\$384,867	\$ 279,536
IT	\$33,077	\$-	\$42,838	\$-
Other	\$(1,175,137)	\$379,247	\$(2,201,014)	\$ 135,310
Overhead Distribution	\$3,461,736	\$2,350,715	\$5,621,453	\$4,701,431
Overhead Transmission	\$373,303	\$1,263,823	\$2,036,131	\$2,527,647
Restoration of Service	\$5,098,396	\$3,554,034	\$8,521,419	\$7,108,068
Substation	\$1,312,103	\$1,439,536	\$2,395,181	\$2,879,072
Underground Distribution	\$886,860	\$1,180,993	\$1,520,364	\$2,361,986
Underground Transmission	\$1,491	\$ 64,403	\$26,053	\$ 128,807
Total	\$20,469,971	\$19,076,245	\$38,726,981	\$37,529,306

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

Telecom	33
Substation	57
Underground	68
Overhead	197
Apprentice	44
Mobile Workers	4
Engineering	62
Service Center Technician	15
Traveling Operator/Troubleshooter	54
Load Dispatchers	12
Metering Technicians	47
Meter Readers	18
Customer Service Reps	107
Admin/Supervisory/Mgmt	418
Total	1136

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

Second Quarter 2004

Contractor dollars: \$1,976,884
 Contractor hours: 43,930

June 2004 YTD

Contractor dollars: \$3,495,034
 Contractor hours: 78,316

(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

April	50%	(117 accepts, 118 refusals)
May	54%	(202 accepts, 172 refusals)
June	56%	(190 accepts, 152 refusals)

We currently do not have the available data to report " the amount of time it takes to obtain the necessary personnel," and are investigating a plan to collect this data and the proper form for reporting the results.



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August 3, 2004

VIA FEDERAL EXPRESS

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

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Re: Second Quarter 2004 Reliability Report of Allegheny Power

Dear Secretary McNulty:

L-00030161

Enclosed please find an original and six copies of the Second Quarter 2004 Reliability Report of Allegheny Power. This report is filed by Federal Express and is deemed filed today, August 3, 2004. Copies have been served on the Office of Consumer Advocate and the Office of Small Business Advocate.

Very truly yours,


John L. Munsch
Attorney

cc: Thomas Sheets-PAPUC- Bureau of Audits

bc: James Cormack
James E. Barrell
Rodney L. Phillips

ORIGINAL

Allegheny Power FAF
Quarterly Report for Second Quarter 2004
52 Pa. Code Section 57.192 Proposed Reporting Requirements

Allegheny Power submits this quarterly report according to the proposed format contained in the Commission Order at Docket No. L-00030161. The following report provides available information in the proposed format with the understanding that reporting requirements may change.

1. Description of major events during the preceding quarter.
 - a. A Major Event occurred on the following date. A description of this event is attached in Appendix V as 'Request for Exclusion of Major Outage' report previously issued and as approved by the Commission. A copy of the Secretarial Letter approving the waiver is also contained in Appendix V.
 - i. May 21 to May 23, 2004 – Thunderstorms, high wind, lightning
 - b. Allegheny Power's Restore Service Process Management Team continuously monitors the process and conducts post-event meetings in an attempt to enhance the restoration process for future events.
2. Rolling 12-month reliability index values (SAIDI, CAIDI, SAIFI, and, if available, MAIFI) for the electric distribution company's service territory for the preceding quarter.
 - a. The following table provides Pennsylvania's 12-month ending reliability statistics for month ending June 2004.
 - b. 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.

Zone	Incidents	Interrupted Customers	Avg Cust Served	KVA	Calls	CMI	SAIDI	ASAI	CAIDI	SAIFI
Pennsylvania	16,706	840,526	684,402	8,086,080	126,032	176,188,182	257	0.999511	210	1.23

3. Rolling 12-month reliability index values for worst performing 5% of the circuits in the system.
 - a. This report provides a listing of all Pennsylvania circuits ranking in the lowest five percent as ranked by the Distribution Circuit Interruption Index (DCII). The data is ranked by DCII and includes all of the standard indices. The report is attached as Appendix I.
 - b. Distribution Circuit Interruption Index is a composite index based on the SAIFI, CAIDI, SAIFI, and ASAI (see the description of the calculation of this index in Appendix IV).
4. Specific remedial efforts taken and planned for the 5% worst performing circuits.

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- a. Allegheny Power'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 three or more lockouts/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. In addition to the above-mentioned process, poor performing circuits are ranked by DCII. Field personnel review these circuits quarterly. After the third quarter reporting is complete, action plans are developed for circuits requiring more comprehensive maintenance and these plans are incorporated in next year's budgets and work plans.
 - c. Allegheny Power has also initiated a Reliability Improvement Initiative (RIPInit) for 2004 to review over-current protection on poor performing and high-density distribution circuits. This initiative will focus on installing additional sectionalizing equipment to reduce main line exposure and to minimize the number of customers impacted by forced interruptions. Many of these RIPInit circuits are also on the worst performing circuit list.
5. A breakdown and analysis of outage causes during the preceding quarter.
- a. A summary of outage causes by customers interrupted and by customer minutes interrupted follows.
 - b. Note that 73% of all customer interruptions are caused by non-equipment-related causes. Also note that 97% of customers interrupted by trees are a result of trees falling from outside of the right-of-way.
 - c. Allegheny Power'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	Customers Interrupted 12 Month ending June 04		Customers Minutes Interrupted 12 Month ending June 04	
	Number	Percent	Number	Percent
Animals	37,962	4.5%	4,593,055	2.6%
Overhead Equipment Failure				
Overhead Line Equipment	24,583	2.9%	4,696,416	2.7%
Overhead Line Material	103,792	12.3%	16,166,621	9.2%
Overhead Wire	62,208	7.4%	10,699,666	6.1%
Underground Equipment				
Underground Line Material	3,254	0.4%	523,292	0.3%
Underground Line Equipment	1,752	0.2%	578,258	0.3%
Underground Cable	12,375	1.5%	4,212,878	2.4%
Service Equipment	121	0.0%	34,043	0.0%
Substation Equipment	21,948	2.6%	2,797,657	1.6%
Other	12,738	1.5%	1,832,297	1.0%
Public/Customer	105,961	12.6%	21,097,888	12.0%
Trees				
On Right of Way	11,678	1.4%	2,111,258	1.2%
Off Right of Way	216,844	25.8%	58,904,211	33.4%
Unknown	97,012	11.5%	12,376,617	7.0%
Weather	128,298	15.3%	35,564,026	20.2%
Total	840,526	100%	176,188,183	100%

6. Quarterly and year-to-date information on progress toward meeting transmission and distribution inspection and maintenance goals/objectives.
 - a. A report attached as Appendix II provides a listing of updates to the planned Ensure Reliable Service work for 2004. The information is subdivided by ERS Program.

7. Quarterly and year-to-date information on budgeted versus actual transmission and distribution operation and maintenance expenditures.

T&D Unit	2004 Budget	Q1 Actual	Q2 Actual	YTD
Dispatching	\$ 1,494,380	\$ 341,478	\$ 435,400	\$ 776,878
Forestry	\$ 16,440,612	\$ 3,816,745	\$ 4,156,483	\$ 7,973,228
Lines Operations	\$ 20,494,482	\$ 5,107,599	\$ 5,946,639	\$ 11,054,238
Line Services	\$ 5,658,226	\$ 858,115	\$ 1,352,630	\$ 2,210,745
Metering and System Protection	\$ 2,717,844	\$ 611,757	\$ 697,807	\$ 1,309,564
Projects	\$ 347,250	\$ 61,754	\$ 136,972	\$ 198,726
Substations	\$ 9,947,895	\$ 1,913,466	\$ 2,225,131	\$ 4,138,597
System Operations	\$ 2,478,111	\$ 545,539	\$ 626,895	\$ 1,172,434
System Planning	\$ 1,506,802	\$ 377,335	\$ 454,383	\$ 831,718
Total	\$ 61,085,602	\$ 13,633,788	\$ 16,032,340	\$ 28,666,128

8. Quarterly and year-to-date information on budgeted versus actual transmission and distribution capital expenditures.

Equipment Category	2004 Budget	Q1 Actual	Q2 Actual	YTD
Distribution Lines	\$ 40,102	\$ 6,961	\$ 9,870	\$ 16,831
Distribution Substation	\$ 11,452	\$ 2,557	\$ 1,994	\$ 4,551
EHV Lines	\$ -		\$ 18	\$ 18
EHV Substation	\$ 280	\$ 47	\$ 121	\$ 168
General Plant	\$ 3,951	\$ 32	\$ 232	\$ 264
Sub-transmission Line	\$ 2,312	\$ (10)	\$ 280	\$ 270
Subtotal	\$ 58,077	\$ 9,587	\$ 12,514	\$ 22,101
less contribution by others	\$ 10,790	(incl above)	(incl above)	(incl above)
Total Distribution	\$ 47,287	\$ 9,587	\$ 12,514	\$ 22,101
Transmission Substation	\$ 3,735	\$ 590	\$ 232	\$ 822
Transmission Line	\$ 3,671	\$ 731	\$ 477	\$ 1,208
Total Transmission	\$ 7,406	\$ 1,321	\$ 709	\$ 2,030
Total T&D	\$ 54,693	\$ 10,908	\$ 13,223	\$ 24,131

9. Dedicated staffing levels for transmission and distribution operation and maintenance at the end of the quarter, in total and by specific category.

- a. Staffing levels for the second quarter of 2004 follows:

Year	Number of Linemen	Number of Electricians
2 nd qtr 2004	303	62

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 Allegheny Power's contracted work involves firm price contracts for which no man-hours are

Quarter	Contract Dollars - Qtr	Contract Dollars - YTD
1 st qtr	\$2,408,829	\$2,408,829
2 nd qtr	\$3,315,254	\$5,724,083

documented.

11. Monthly call-out acceptance rate and time required to obtain necessary personnel for transmission and distribution workers.

- a. Attached as Appendix III is a report indicating call out acceptance for the each service center in Allegheny Power's Pennsylvania service territory.

The monthly call-out acceptance rate does not include statistics for crewmembers who are assigned ready-response duties, where applicable.

- b. Allegheny Power does not currently have a means to record automatically the amount of time to obtain necessary personnel. This is a new reporting requirement and it will require further effort and an upgrade to the Company's outage management system. This capability is expected to be implemented in the first quarter 2005. Allegheny Power has issued a waiver request for this reporting requirement as suggested in Docket No. M-00991220.

Appendix I – Distribution Circuit Ranking

SCName	SSName	CktName	CustServed	DCII	SAFI	SAIDI	CAIDI	ASAI	CMI	CustIntrup	CircuitLockouts	Incidents	Miles
Washington	LAGONDA	CLUB FORTY	638	-18	1.60	4,840	166	0.99080	223,789	1,346	1	30	36
Jeannette	WHITE VALLEY	BORLANDS RD	639	-45	3.57	2,121	597	0.99600	1,362,542	2,284	3	24	28
Arnold	LOGANS FERRY NO. 2	LOGANS FERRY	242	-33	4.26	1,849	431	0.99650	443,628	1,030	4	7	3
Butler	PARKER	PARKER	987	-28	5.21	1,640	313	0.99690	1,815,357	5,154	4	40	36
McConnellsburg	WARFORDSBURG	BUCK VALLEY	748	-23	3.45	1,707	497	0.99680	1,279,496	2,577	0	72	88
McDonald	PARIS	PARIS	765	-23	6.94	1,268	186	0.99760	967,216	5,318	6	31	34
Clarion	WIDNOON	TIDAL	326	-22	5.17	1,540	298	0.99710	503,217	1,688	4	20	31
Jeannette	HUNTINGDON	SCOTCH HILL	738	-21	2.78	1,692	609	0.99680	1,249,163	2,055	1	40	23
Jefferson	RUTAN	BRISTORIA	1145	-15	2.31	1,559	673	0.99700	1,784,282	2,651	2	70	189
Washington	HOUSTON	MCGOVERN	1485	-11	2.30	1,497	651	0.99720	2,226,359	3,420	0	70	67
Charierot	SMITHON	HITCHINSON	657	-11	7.32	966	1523	0.99820	829,203	6,287	4	47	35
Arnold	MURRYSVILLE	RUBRIGHT	615	-4	4.78	1,219	255	0.99770	749,779	2,945	3	18	11
McDonald	NORTH FAYETTE	CLIFF MINE	868	-1	5.55	1,045	185	0.99800	936,828	4,826	4	17	10
Kittanning	TROY HILL	IRON BRIDGE	635	0	2.99	1,316	441	0.99750	639,658	1,904	1	38	38
Butler	BUTLER	CENTER AVE	1687	3	0.39	588	1,523	0.99890	984,016	646	0	25	45
Jeannette	YOUNGWOOD	ARMERUST	749	4	3.59	1,197	333	0.99770	698,371	2,694	3	24	32
Uniontown	LAKE LYNN	FANCY HILL	947	4	3.57	1,193	333	0.99770	1,129,108	3,393	2	45	54
Butler	HILLIARDS	HILLIARDS	897	6	4.08	1,109	272	0.99790	985,318	3,626	3	51	63
Jeannette	MURRYCREST	SARDIS ROAD	1545	7	2.24	1,228	506	0.99770	1,756,194	3,474	2	53	31
McDonald	SMITH	FLORENCE	748	8	2.39	1,173	491	0.99780	880,425	1,792	1	59	76
Washington	PANCAKE	VANCE	348	10	4.53	973	215	0.99810	339,281	1,580	3	36	36
State College	WATERVILLE	WATERVILLE	332	11	3.54	1,070	305	0.99800	359,064	1,178	1	20	20
Boyce	CECIL	MURRAY HILL	1565	11	3.21	1,093	340	0.99790	1,710,948	5,038	2	50	26
Butler	BRANCHTON	FORESTVILLE	1115	11	3.58	1,058	296	0.99800	1,184,480	3,895	1	58	67
Arnold	MURRYSVILLE	WALLACE LANE	1196	14	3.93	1,003	221	0.99810	1,043,132	4,716	3	49	59
Butler	SHERWIN	WEST SUNBURY	755	15	1.48	1,003	677	0.99810	758,066	1,120	1	20	43
Washington	HOUSTON	MURDOCK	1419	16	2.78	1,032	371	0.99800	1,466,830	3,957	1	61	13
Latrobe	STAHLSTOWN	STAHLSTOWN	1466	17	3.09	1,006	325	0.99810	1,477,418	4,544	2	76	126
McConnellsburg	WHITETAIL	RESORT	280	20	1.00	818	819	0.99840	213,016	260	0	12	25
Arnold	SARDIS	MAMONT	989	22	4.80	709	145	0.99870	691,373	4,755	4	24	19
Jeannette	ROBBINS	RILLTON	1394	22	3.79	842	223	0.99840	1,177,307	5,289	2	35	39
Arnold	MATEER	DINE RD	1148	22	4.86	724	155	0.99860	633,104	5,365	3	56	103
Arnold	TUNNELTON	TUNNELTON_DIST	96	22	3.00	911	301	0.99830	66,743	288	2	10	6
Jefferson	BRAVE	SPRAGO	655	23	1.91	832	488	0.99820	612,052	1,255	0	32	85
Butler	COOPERSTOWN	COOPERSTOWN	941	23	3.60	833	232	0.99840	785,723	3,392	3	42	46
Charierot	FINLEYVILLE	GASTONVILLE	1453	24	3.81	806	211	0.99850	1,172,875	5,547	3	70	27
Arnold	MATEER	SOUTH BEND	1155	24	3.93	790	200	0.99850	910,519	4,555	2	59	93
Washington	AMITY	AMITY	498	24	3.19	865	270	0.99840	429,978	1,590	1	28	57
State College	FOMLER	BALD EAGLE	388	24	2.70	894	331	0.99830	329,694	995	1	25	40
Jeannette	LEVELGREEN	COMTOWN	1334	25	2.55	896	352	0.99830	1,199,979	3,412	2	23	42

Appendix II – Goals Progress

2004 Goals - Pennsylvania - Complete Planned ERS Work				
Results as of: June 30				
ERS Program/Project	Unit of Measurement	Target for 2004	Actual Completed	% Completed
Forestry ERS Goals				
Transmission Herbicide Application	# Transmission Lines	19	1	5.3%
Transmission Lines Trimming and Clearing	# Transmission Lines	42	8	19.0%
Subtransmission Herbicide Application	# of Subtransmission Lines	50	7	14.0%
Subtransmission Line Trimming and Clearing	# of Subtransmission Lines	103	18	17.5%
Distribution Line Trimming, Clearing & Herbicide Applic.	# of Distribution Line Miles	5,873	2,462	41.9%
Transmission Lines ERS Goals				
Major ERS SS Projects	# Projects	1	-	0.0%
Major ERS Lines Projects	# Projects	2	0.70	35.0%
Transmission Comprehensive Patrol	# Transmission Lines	14	14	100.0%
Transmission General Patrol	# Transmission Lines	139	0	0.0%
Ground & Footer Inspections	# Transmission Lines	13	0	0.0%
Pole Inspection	# Transmission Lines	10	10	100.0%
Critical Transmission Repairs	# Critical Items	2	2	100.0%
Priority Transmission Repairs	# Priority Items	4	2	50.0%
Non-Critical Transmission Repairs	# Non-Critical Items	30	19	63.3%
Substation ERS Goals				
SS Work (Includes Capital, Planned, & Preventative)	Man-Hours	70,498	34,721	49.3%
SS Spraying	# Substations	710	350	49.3%
Controls Work (Includes Cap., Planned, & Preventative)	Man-Hours	13,962	4,898	35.1%
OH Distribution Lines ERS Goals				
Subtransmission General Patrol	# Subtransmission Lines	418	0	0.0%
Individual ERS Budget Projects	Man-Hours	12,249	5,566	45.4%
Small Planning Projects	Man-Hours	33,242	13,626	41.0%
Pole Inspection	# of Circuits	105	0	0.0%
Danger Poles	# Danger Poles	54	40	74.1%
Reject Poles	# Reject Poles	235	181	77.0%
AIM Work	Points Completed	2,201	1,841	83.6%
RIP Program	Manhours	18,700	13,677	73.1%
UG Equipment Inspections	# Locations	7,191	4,318	60.0%
Recloser Inspections	# Reclosers	3,700	2,881	77.9%
Regulator Inspections	# Regulators	222	179	80.6%
Capacitors Inspections	# Capacitors	1,192	1,050	88.1%
Recloser Replacements	# Reclosers	251	89	35.5%
Structured Maintenance - Street Lights	# Street Lights	3,173	4,232	133.4%
UGD Distribution Lines ERS Goals				
UGD Cable Replacement	# Feet	12,200	2,639	21.6%
Cable Injection	# Feet	100,000	25,720	25.7%

8/3/2004

Appendix III – Callout Acceptance

Allegheny Power 2004															
Pennsylvania Local 102															
Linemen															
Service Center	Jan, Feb, Mar			Apr, May, Jun			Jul, Aug, Sep			Oct, Nov, Dec			YTD		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	347	103	30%	756	163	22%	0	0		0	0		235	68	29%
Boyce	453	145	32%	678	223	33%	0	0		0	0		340	109	32%
Butler	512	138	27%	780	201	26%	0	0		0	0		312	83	27%
Charleroi	381	151	40%	529	148	28%	0	0		0	0		213	90	42%
Clinton	60	19	32%	139	35	25%	0	0		0	0		41	11	27%
Jennette	1124	150	13%	1321	205	16%	0	0		0	0		719	98	14%
Jefferson	391	93	24%	564	136	24%	0	0		0	0		299	70	23%
Kittanning	181	59	33%	366	98	27%	0	0		0	0		103	31	30%
Lafayette	365	150	39%	659	207	31%	0	0		0	0		279	102	37%
McCannellsburg	72	35	49%	179	76	42%	0	0		0	0		54	25	46%
McDonald	195	45	23%	222	48	22%	0	0		0	0		83	22	27%
Pleasant Valley	109	26	24%	395	78	20%	0	0		0	0		48	16	33%
St. Mary's	132	36	27%	205	54	26%	0	0		0	0		80	24	30%
State College	437	71	16%	626	114	18%	0	0		0	0		331	55	17%
Uniontown	504	125	25%	530	163	31%	0	0		0	0		350	88	25%
Washington	624	100	16%	689	120	17%	0	0		0	0		469	75	16%
Waynesboro	485	126	26%	686	150	22%	0	0		0	0		364	93	26%
Total AP Average	6392	1572	25%	9326	2219	24%	0	0		0	0		4320	1059	25%
Electricians															
Service Center	Jan, Feb, Mar			Apr, May, Jun			Jul, Aug, Sep			Oct, Nov, Dec			YTD		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	26	19	73%	79	43	54%	0	0		0	0		13	8	62%
Boyce	11	9	82%	9	7	78%	0	0		0	0		6	5	83%
Butler	45	22	49%	42	25	60%	0	0		0	0		14	6	43%
Charleroi	27	14	52%	36	21	58%	0	0		0	0		17	8	47%
Jennette	45	13	29%	65	16	25%	0	0		0	0		25	9	36%
Jefferson	49	15	31%	49	15	31%	0	0		0	0		13	5	38%
Kittanning	10	6	60%	10	10	100%	0	0		0	0		3	3	100%
Lafayette	51	25	49%	52	13	25%	0	0		0	0		11	7	64%
Pleasant Valley	58	17	29%	30	8	27%	0	0		0	0		24	9	38%
St. Mary's	18	11	61%	24	13	54%	0	0		0	0		10	7	70%
State College	15	7	47%	52	15	29%	0	0		0	0		9	7	78%
Washington	26	9	35%	17	10	59%	0	0		0	0		16	5	31%
Waynesboro	33	17	52%	72	13	18%	0	0		0	0		17	8	47%
Total AP Average	414	186	45%	527	209	40%	0	0		0	0		178	87	49%
Total Combined AP Average	6806	1758	26%	9853	2428	25%	0	0		0	0		4498	1146	25%

Appendix IV – Sample DCII Calculation

Allegheny Power 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 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:

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

- 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.

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

Appendix V – Major Event Descriptions

Commission reports for the following major events are presented on the two following pages.:

REQUEST FOR EXCLUSION OF MAJOR OUTAGE FOR
RELIABILITY REPORTING PURPOSES TO
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P O BOX 3265
HARRISBURG, PA 17105-3265

Reports require an original and one copy to be filed with the Secretary's Bureau.

Information Required:

1. Requesting Utility: Allegheny Power
Address: 800 Cabin Hill Drive
Greensburg, PA 15601
2. Name and title of person making request:

<u>James E. Barrell</u> (Name)	<u>Engineer, Reliability</u> (Title)
-----------------------------------	---
3. Telephone number: (724) 838-6113
(Telephone Number)
4. Interruption or Outage:
 - (a) Number of customers affected: 89,238 customers
Total number of customers in service territory: 683,292 customers
 - (b) Number of troubled locations in each geographic area affected listed by county and local political subdivision:
950 incidents in the Allegheny Power service territory of Pennsylvania involving the geographic areas of Allegheny, Armstrong, Bedford, Butler, Clarion, Fayette, Franklin, Fulton, Greene, Indiana, Lycoming, McKean, Washington, and Westmoreland counties.
 - (c) Reason for interruption or outage, including weather data where applicable:
Severe thunderstorms, sustained high winds, and lightning (refer to attached Appendix 1 for WSI Weather Alerts).

- (d) The number of utility workers and others assigned specifically to the repair work:

<u>Company and other Repairmen</u>	<u>Support Personnel</u>	<u>Tree Trimmers</u>	<u>Total Workers</u>
305	119	105	530

The above numbers exclude the Corporate Centers' staffing that supports a restoration of service event of this size. Those groups would include the Customer Call Center, Centralized Dispatching, Operations Center and Restore Service Process Team.

- (e) The date and time of the first notification of a service interruption: May 21, 2004 0250
(Note the first Service Center opened on May 21, 2004 at 5:36 a.m.)
- (f) The actual time that service was restored to the last affected customer: May 24, 2004 1935

Remarks: On May 21, 2004, Allegheny Power had a severe weather event that impacted nearly 90,000 customers in Pennsylvania, as storms from the same weather system rolled through Allegheny's service territory over a 12-hour period. In the early hours on May 21, 2004, strong to severe thunderstorms moved through the Allegheny Power territory. These storms had frequent amounts of concentrated lightning and very heavy downpours. They also produced hail and wind gusts of 50-55 mph. As the day progressed, other storms from the same weather system hit our service territory in the late afternoon and early evening. Our weather service indicated a severe squall line extending from southeast Michigan to northwest Ohio. These storms were moving east-southeast at nearly 60 mph and packing wind gust up to 80 mph (refer to Appendix I).

Service centers that were already manned the morning of May 21, 2004 were still involved with restoring service to customers when a subsequent storm hit, with approximately 12,500 customers still without power and 29,125 customers already restored. Allegheny was involved with a continuous restoration effort throughout the day. Several Service Centers remained open until May 23, with the last Service Center closing on May 24. Throughout the event, Allegheny restored service to 89,238 customers (refer to Appendix II for graph of customers interrupted and restored). All totaled, Allegheny replaced 29 poles and 75 distribution transformers, repaired or replaced 456 spans of wire, and repaired 256 services in Pennsylvania.



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

IN REPLY PLEASE
REFER TO OUR FILE

JULY 13, 2004

M-00991220F2004

ALLEGHENY POWER
800 CABIN HILL DRIVE
GREENSBURG PA 15601

ATTN: JAMES E BARRELL

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

Dear Mr. Barrell:

On June 21, 2004, Allegheny Power ("Allegheny") 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.

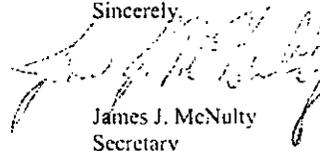
The request relates to a weather event that Allegheny states caused service interruptions from 2:50 a.m. on May 21, 2004 until 7:35 p.m. on May 24, 2004.

Upon review of the company's filing, it appears that some of the service interruptions described by Allegheny qualify as a major event, as defined in 52 Pa. Code §57.192. However, no justification was provided for inclusion of customers associated with service outages occurring after 12:00 p.m. on 5/23/04 as part of the claimed major event. Therefore, the request for exclusion of service interruptions for reporting purposes is hereby approved with the following modifications. Only customers experiencing service outages directly associated with the weather events of 5/21/04 are to be excluded for reliability reporting purposes.

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 matters and parties specifically and clearly defined under this instant filing.

Sincerely,



James J. McNulty
Secretary

cc: Tom Sheets, Audits
George Dorow, Audits
Wayne Williams, BCS
Blaine Loper, CEEP
Betsy Barnes, Law Bureau

8/3/2004

Re: Allegheny Power Second Quarter 2004
Reliability Report

ORIGINAL

PAF
SLL

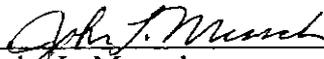
CERTIFICATE OF SERVICE

I certify that this 3rd day of August, 2004, I have served a true and correct copy of the Quarterly Reliability Report of Allegheny Power, by first-class mail, postage prepaid, upon the following:

VIA FIRST-CLASS MAIL

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

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



John L. Munsch
Attorney for
ALLEGHENY POWER

WELLSBOROUGH ELECTRIC
COMPANY

~~A-11800~~
L-00030161

QUARTERLY RELIABILITY REPORT
57.195 REPORTING REQUIREMENTS

THIRD QUARTER 2004

JULY THRU SEPTEMBER 2004

SUBMITTED BY

ROBERT S. McCARTHY
VICE-PRESIDENT, ENGINEERING AND OPERATIONS
570-724-3516
bobbym@ctenterprises.org

DOCKETED
DEC 08 2004

DOCUMENT
FOLDER

RECEIVED
OCT 25 2004
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

57.195

Reporting Requirements

Section (e) Item (1)

Description of Major Events that occurred during the preceding quarter.

Date	Time of Event	Duration of Event	# Cust Affected Affected	# Customer Hours	Cause
9/17/2004 thru 9/18/2004	5:11 P.M.	24 Hours 29 Mins	2854	18116.83	Flooding

57.195 Reporting Requirements

Section (e) Item (2)

WELLSBORO ELECTRIC COMPANY

ROLLING TWELVE MONTH INTERRUPTION INDEXES

SECOND QUARTER 2004

SAIDI
174

SAIFI
0.04

CAIDI
100

Wellsboro Electric Company	Reliability Index	SAIDI
MONTH	TOTAL CUST MINUTES	# CUSTOMERS SERVED
Oct-03	202600.8	5811
Nov-03	5523	5819
Dec-03	153654	5825
Jan-04	15415.8	5832
Feb-04	127695	5830
Mar-04	107694	5825
April-04	62972.4	5840
May-04	225953.4	5843
June-04	29209.8	5849
July-04	71643	5849
August-04	5513.4	5859
Sept-04	5697.6	5855
	1013572	Average # Customers Served
		5836

Rolling 12 Month Average SAIDI Index**173.6758**

WELLSBORO ELECTRIC COMPANY

Reliability Index

SAIFI

Month	# of Interruptions	# of Cust Served
Oct-03	56	5811
Nov-03	7	5819
Dec-03	18	5825
Jan-04	23	5832
Feb-04	10	5830
Mar-04	22	5825
April-04	16	5840
May-04	29	5843
June-04	28	5849
July-04	38	5849
August-04	8	5859
Sept-04	6	5855
		70037
	261	5836 Avg # of Customers

SAIFI INDEX **0.044722**

Wellsboro Electric Company

Reliability Index CAIDI

Month Total Customer Mins # of Customers Interrupted

Oct-03	202600.8	1532
Nov-03	5523	68
Dec-03	15365.4	499
Jan-04	15415.8	165
Feb-04	127695	285
Mar-04	107694	2316
April-04	62972.4	464
May-04	225953.4	2001
June-04	29209.8	367
July-04	71545.34	836
August-04	5513.4	64
Sept-04	5697.6	130

875185.9

8727

CAIDI INDEX

100.2849

**Percentage by Cause for Entire System
Total Year To Date Outages****Wellsboro Electric Company**

Cause of Outage	<u>Percentage of Total Outages</u>
Maintenance	1.60%
Scheduled	4.90%
Major Storms	3.30%
Equipment	13.70%
Corrosion	0.5%
Overload	0.5%
Lightning	9.3%
Wind	0.5%
Tree	16.4%
Animals	19.1%
Vehicles	5.5%
Public Accidents	0.5%
Other, Utilities	1.1%
Customer Caused	1.1%
Unknown	21.9%
	99.9%

Data for Third Quarter Report to PUC

October 25,2004
Wellsboro Electric Company

Detailed Data Worksheets
Third Quarter 2004
For determining Rolling Twelve Month
Reliability Indexes

Oct 2003

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance			
Other, Scheduled	3	3	15.99
Major Storm			
Equipment			
Conductor Sag	5	5	6.81
Other, Faulty Equipment	1	1	1.01
Decay			
Corrosion			
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning			
Wind, Not trees	2	1034	2484.2
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other	18	1528	3332.8
Weather, Other			
Small Animals	5	6	3.56
Large Animals			
Vehicles			
Public Activities			
G&T			
Telephone Co.			
Other Utilites			
Member Caused			
Unknown	23	23	11.51
	57	2600	5855.88
Excluded Events	1	1068	2479.2
	56	1532	3376.68
Active Customers	5811		202600.8
			Minutes

SAIDI	SAIFI	CAIDI
0.581084	0.263638	2.204099
34.86505		132.246

Excluded - High Wind 10-15-03

Nov 2003

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier	1	5426	10912.83
Maintenance			
Other, Scheduled	1	38	67.13
Major Storm			
Equipment	1	2	1.7
Conductor Sag			
Other, Faulty Equipment			
Decay			
Corrosion			
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning			
Wind, Not trees	2	25	20.53
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other	1	1	1.26
Weather, Other			
Small Animals	2	2	1.43
Large Animals			
Vehicles			
Public Activities			
G&T			
Telephone Co.			
Other Utilites			
Member Caused			
Unknown			
	8	5494	11004.88
Excluded Events	1	5426	10912.83
	7	68	92.05
Active Customers	5819		5523
			Minutes

SAIDI	SAIFI	CAIDI
0.015819	0.011686	1.353676
0.949132		81.22059

Excluded - Power Supply Outage

Dec 2003

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance	1	135	47.25
Other, Scheduled			
Major Storm			
Equipment	1	96	20.8
Conductor Sag			
Other, Faulty Equipment	2	106	77.31
Decay			
Corrosion			
Contamination			
Electrical Overload	1	72	36
Other, Deterioration			
Lightning			
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other			
Weather, Other			
Small Animals	6	6	3.55
Large Animals			
Vehicles			
Public Activities	2	28	45.9
Fire	1	1	2.48
Telephone Co.			
Other Utilites			
Member Caused	1	1	0.51
Unknown	4	35	22.8
	19	480	256.6
Excluded Events	1	1	0.51
	18	479	256.09
Active Customers	5825		15365.4
			Minutes

SAIDI	SAIFI	CAIDI
0.043964	0.082232	0.534635
2.637837		32.07808

Excluded - One Customer Caused Outage

Jan 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance			
Other, Scheduled	5	19	17.86
Major Storm			
Equipment			
Conductor Sag			
Other, Faulty Equipment			
Decay			
Corrosion			
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning			
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other	12	12	27.21
Weather, Other			
Small Animals	1	1	0.86
Large Animals			
Vehicles	3	131	209.3
Public Activities			
Fire			
Telephone Co.			
Other Utilites			
Member Caused			
Unknown	2	2	1.7
	23	165	256.93
Excluded Events			
	23	165	256.93
Active Customers	5832		15415.8
			Minutes

SAIDI
2.643313

SAIFI
0.028292

CAIDI
93.42909

Feb 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance	1	164	2066.4
Other, Scheduled			
Major Storm			
Equipment	1	1	0.4
Conductor Sag			
Other, Faulty Equipment	1	22	12.83
Decay			
Corrosion			
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning			
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other			
Weather, Other			
Small Animals	6	49	24.94
Large Animals			
Vehicles			
Public Activities			
Fire			
Telephone Co.			
Other Utilites			
Member Caused			
Unknown	1	49	23.68
	10	285	2128.25
Excluded Events	0	0	0
Active Customers	5830	285	2128.25
			127695
			Minutes

SAIDI
21.90309

SAIFI
0.048885

CAIDI
448.0526

March 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance	1	1	0.85
Other, Scheduled	2	1573	1248.31
Major Storm			
Equipment	2	2	13.73
Conductor Sag			
Other, Faulty Equipment	3	598	421.28
Decay			
Corrosion			
Contamination			
Electrical Overload	1	72	36
Other, Deterioration			
Lightning			
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other			
Weather, Other			
Small Animals	6	6	3.55
Large Animals			
Vehicles			
Public Activities	2	28	45.9
Fire	1	1	2.48
Telephone Co.			
Other Utilites			
Member Caused	1	1	0.51
Unknown	4	35	22.8
	23	2317	1795.41
Excluded Events	1	1	0.51
Active Customers	5825	2316	1794.9
			107694
			Minutes

SAIDI
18.48824

SAIFI
0.397597

CAIDI
46.5

Excluded - One Customer Caused Outage

April 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance			
Other, Scheduled	1	30	60
Major Storm			
Equipment	5	244	356.35
Conductor Sag			
Other, Faulty Equipment			
Decay			
Corrosion			
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning			
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other	1	48	193.6
Weather, Other			
Small Animals	2	2	1.4
Large Animals			
Vehicles	1	35	319.08
Public Activities			
Fire			
Telephone Co.			
Other Utilites			
Member Caused			
Unknown	6	105	119.11
	16	464	1049.54
Excluded Events			
	16	464	1049.54
Active Customers	5840		62972.4
			Minutes

SAIDI
10.78295

SAIFI
0.079452

CAIDI
135.7164

May 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance			
Other, Scheduled	1	3	4.65
Major Storm			
Equipment	4	974	1331
Conductor Sag			
Other, Faulty Equipment	2	2	1.1
Decay			
Corrosion			
Contamination			
Electrical Overload	1	131	157.2
Other, Deterioration			
Lightning	8	8	21.13
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other	4	9	6.55
Weather, Other			
Small Animals	4	4	2.53
Large Animals			
Vehicles	1	176	809.6
Public Activities			
Fire			
Telephone Co.			
Other Utilites			
Member Caused			
Unknown	5	963	3941.9
	30	2270	6275.66
Excluded Events	1	269	2509.77
	29	2001	3765.89
Active Customers	5843		225953.4
			Minutes

SAIDI
38.67079

SAIFI
0.342461

CAIDI
112.9202

June 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance			
Other, Scheduled			
Major Storm			
Equipment	1	1	0.95
Conductor Sag			
Other, Faulty Equipment	3	3	3.58
Decay			
Corrosion			
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning	2	67	51.3
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other	5	118	162.85
Weather, Other			
Small Animals	9	60	54.45
Large Animals			
Vehicles	1	35	168
Public Activities			
Fire			
Telephone Co.			
Other Utilites			
Member Caused			
Unknown	7	83	45.7
	28	367	486.83
Excluded Events			
	28	367	486.83
Active Customers	5849		29209.8
			Minutes

SAIDI
4.993982

SAIFI
0.062746

CAIDI
79.59074

July 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance	1	84	168
Other, Scheduled			
Major Storm			
Equipment	2	2	3.38
Conductor Sag			
Other, Faulty Equipment			
Decay			
Corrosion	1	1	0.58
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning	7	95	55.64
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other	5	139	209.41
Weather, Other			
Small Animals	7	171	87.01
Large Animals			
Vehicles	2	38	59.86
Public Activities	1	26	62.4
Fire			
Telephone Co.			
Other Utilites	1	15	188.5
Member Caused	2	63	97.66
Unknown	9	265	261.61
	38	899	1194.05
Excluded Events			
	38	899	1194.05
Active Customers	5849		71643
			Minutes

SAIDI
12.24876

SAIFI
0.153701

CAIDI
79.69188

August 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier			
Maintenance			
Other, Scheduled			
Major Storm			
Equipment			
Conductor Sag			
Other, Faulty Equipment	1	1	0.88
Decay			
Corrosion			
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning			
Wind, Not trees	1	22	27.13
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other			
Weather, Other			
Small Animals	3	3	13.85
Large Animals			
Vehicles			
Public Activities			
Fire			
Telephone Co.			
Other Utilites	1	38	50.03
Member Caused			
Unknown	2		
	8	64	91.89
Excluded Events			
	8	64	91.89
Active Customers	5859		5513.4
			Minutes

SAIDI
0.941014

SAIFI
0.010923

CAIDI
86.14688

September 2004

WELLSBORO ELECTRIC COMPANY

Cause	Outages	Consumers	Con Hours
Power Supplier Maintenance			
Other, Scheduled			
Major Storm	6	2854	18116.83
Equipment			
Conductor Sag			
Other, Faulty Equipment			
Decay			
Corrosion			
Contamination			
Electrical Overload			
Other, Deterioration			
Lightning			
Wind, Not trees			
Ice, Sleet, Frost			
Trees and Ice			
Trees, Other	2	2	3.95
Weather, Other			
Small Animals	1	1	1.31
Large Animals			
Vehicles	2	126	90.2
Public Activities			
Fire			
Telephone Co.			
Other Utilites			
Member Caused			
Unknown	1	1	1.5
	12	2984	18213.79
Excluded Events			
	12	2984	18213.79
Active Customers			
	5855		1092827
			Minutes

SAIDI
186.6486

SAIFI
0.50965

CAIDI
366.229



Duquesne Light

A DQE Company

Regulatory Affairs Unit
411 Seventh Avenue 8-4
Pittsburgh, Pennsylvania 15219

DOCUMENT

~~A 110150~~
L - 00030161

November 1, 2004

VIA OVERNIGHT MAIL DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, Pennsylvania 17105-3265

NOV 1 2004

Dear Mr. McNulty:

Enclosed for filing please find an original and six (6) copies of Duquesne Light Company's reliability report for the quarter ended September 30, 2004, submitted in accordance with the Commission's regulations at 52 Pa. Code § 57.195.

Please return a date-stamped copy of this letter in the enclosed, self-addressed stamped envelope.

If you have any questions regarding the information provided, please contact me at (412) 393-6334.

Sincerely,

Nancy J. D. Krajovic
Manager, Regulatory Affairs

Enclosures

- c: Mr. K. F. Cadden – Bureau of CEEP
- Mr. I. A. Popowsky – Office of Consumer Advocate
- Mr. W. R. Lloyd – Office of Small Business Advocate
- Mr. B. J. Loper – Bureau of CEEP

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**DUQUESNE LIGHT COMPANY
QUARTERLY RELIABILITY REPORT
November 1, 2004**

57.195 Reporting Requirements

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

Jeffrey L. Coward - General Manager, Asset Management
(412) 393-8944, jcoward@duqlight.com

Nancy J. Krajovic - Manager, Regulatory Affairs
(412) 393-6334, nkrajovic@duqlight.com

DOCUMENT

(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.

September 17, 2004

At 13:46 on Friday, September 17, 2004, torrential rains and high winds, remnants of Hurricane Ivan, caused widespread flooding and power outages throughout our service area. The heavy rains and winds continued into early Saturday morning.

Downed wires, damaged equipment and broken poles were primarily the result of severe ground saturation, falling trees and flooding conditions. All Duquesne Light crews and support personnel were held over when the storm struck and they continued to work throughout the night restoring service and assessing damage.

On Friday, September 17, 2004, Governor Rendell declared a disaster emergency for four counties, including Allegheny and Beaver counties.

On Sunday, September 19, 2004, President Bush declared 19 Pennsylvania counties federal disaster areas, including Allegheny and Beaver counties.

The National Weather Service reported a record rainfall of 5.95 inches. The Allegheny and Monongahela rivers crested at 31 feet (6 feet above flood stage) on September 19, 2004 at 17:00.

Along with normal weather-related outages caused by downed trees and wires, this storm presented the company with a multitude of extreme situations.

Flooding and subsequent road closures made it difficult for first responders to immediately assess damage. Our Edison Service Center was inaccessible due to the flooding. Several workers were stranded in the building until Saturday.

DOCKETED

DEC 15 2004

Flooding caused the loss of supply to numerous substations that were inaccessible until early Saturday morning. When field personnel were able to gain access, several of the stations could not be re-energized due to the water damage. Rolling outages and restoration occurred throughout this storm in some areas as the waters receded and crews were given the go ahead by municipal authorities to inspect and repair lines in these areas. Additional flooding occurred due to rising rivers and creeks. Falling trees due to ground saturation as well as the flooding conditions continued to increase the number of customers without electricity.

Crews worked with the county's 911 Emergency Operations center to restore service to critical water and sewage facilities, enabling them to resume pumping water and treating sewage to avoid even further problems. Our underground personnel pumped flooded underground vaults and manholes in the downtown Pittsburgh area to prevent network failures. A portable substation was installed on Saturday in the devastated area of Carnegie, enabling our crews to begin service restoration.

Rolling outages occurred as waters receded and our restoration work commenced, while at the same time, additional flooding, due to rising rivers and creeks, caused additional outages.

The projected time of restoration was at 0200 hours on Monday, September 20, 2004. Restoration was delayed for a small number of customers until 0340 hours on Tuesday, September 21, 2004 due to the severity of flooding in their area.

Total number of customers affected: 143,801

Modified Procedures

23KV Distribution System Protection

In 2003, Duquesne Light developed a program to modify the protection schemes of our 23 KV distribution system, and to survey overhead circuits to select locations for installation of branch fuses.

At the time of this filing, we have completed the lateral fuse installations on twenty-three circuits and assigned seven other circuits to be addressed in 2004.

In conjunction with the fuse installations, we have modified the substation breaker settings to allow the branch fuses to clear faults on lateral branches. This will enable troubleshooters to locate faulted sections more quickly. The substation breaker settings have been modified for all 23 KV distribution circuits.

(e)(2) Rolling 12-month reliability index values (SAIFI, CAIDI, SAIDI, and if available, MAIFI) for the electric distribution company'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.

RELIABILITY BENCHMARKS AND STANDARDS

Duquesne Light Company

System Performance Measures with Major Events Excluded

Entire System				
	SAIDI	SAIFI	CAIDI	MAIFI
Benchmark	126	1.17	108	*
12 Month Standard	182	1.40	130	*
2004 3Q (Rolling 12 mo)	114	1.14	100	*

* Sufficient information to calculate MAIFI is unavailable.

Data used in calculating the indices

Total KVA interrupted for the period: 9,735,999 KVA
 Total KVA-minutes interrupted: 1,331,193,995 KVA-Minutes
 System connected load as of 9/30/04: 6,382,591 KVA

Impact of May 21, 2004 Major Event: 852,416 KVA (13.4% of system load)
 138,717,705 KVA-minutes

Impact of June 14, 2004 Major Event: 659,541 KVA (10.4% of system load)
 119,876,275 KVA-minutes

Impact of September 17, 2004 Major Event: 925,366 KVA (14.5% of system load)
 345,517,714 KVA-Minutes

Formulas used in calculating the indices

$$\text{SAIFI} = \frac{(\text{Total KVA interrupted}) - (\text{KVA impact of Major Events})}{\text{System Connected KVA}}$$

$$\text{SAIDI} = \frac{(\text{Total KVA-minutes interrupted}) - (\text{KVA-minute impact of Major Events})}{\text{System Connected KVA}}$$

$$\text{CAIDI} = \text{SAIDI/SAIFI}$$

(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 electric distribution company defines its worst performing circuits shall be included.

Circuit	Connected KVA	KVA Minutes Interrupted	KVA Interrupted	Circuit SAIDI	Circuit SAIFI	Circuit CAIDI
Raccoon 23620	39,826	22,423,936	110,202	563	2.8	203
Raccoon 23622	37,650	5,349,995	101,587	142	2.7	53
Ambridge 23635	30,062	5,216,730	98,863	174	3.3	53
Phillips 23660	28,195	12,215,480	86,493	433	3.1	141
Montour 23670	32,800	3,731,081	30,691	114	0.9	122
Montour 23674	33,230	5,919,203	69,447	178	2.1	85
Montour 23675	34,555	8,815,470	62,544	255	1.8	141
Woodville 23681	29,868	12,658,751	28,522	424	1.0	444
North 23704	31,832	15,710,609	160,266	494	5.0	98
Pine Creek 23710	29,338	8,062,373	49,694	275	1.7	162
Pine Creek 23711	30,555	4,778,512	121,957	156	4.0	39
Pine Creek 23715	31,490	3,143,804	50,057	100	1.6	63
Pine Creek 23716	31,987	7,485,356	115,879	234	3.6	65
Dravosburg 23750	30,654	10,210,741	94,531	333	3.1	108
Wilmerding 23760	39,320	11,765,760	103,512	299	2.6	114
Arsenal 23840	42,005	3,277,475	33,671	78	0.8	97
Mount Nebo 23870	29,430	11,318,451	38,370	385	1.3	295
Rankin 23880	43,088	6,755,970	90,540	157	2.1	75
Logans Ferry 23920	38,993	5,195,427	137,361	133	3.5	38
Evergreen 23953	30,530	25,497,481	161,272	835	5.3	158

Circuit performance is based on an annual statistical evaluation performed by SGS Statistical Services. Scores are assigned to each circuit based on time-weighted, multi-year outage data. The composite scores include analysis of outage duration, outage frequency, mean time between failures, and customers served by each circuit. The results are available in May.

Additionally, throughout the year, Duquesne Light's Asset Management group monitors the number of operations of automatic devices (circuit breakers, sectionalizers, reclosers, and fuses) to identify smaller pockets of customers experiencing frequent outages. This analysis goes beyond the overall circuit level, and is a proactive method of addressing small areas before they begin to affect circuit or system performance indices. This information is used throughout the year to plan and prioritize additional reliability projects. Projects identified by this method are rolled into the work plan on an ongoing, dynamic basis.

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

Circuit	Remedial Actions Planned or Taken
Raccoon	23620 Capacitors added to circuit in 2003. Vegetation Management completed 10/15/04. Breaker settings modified. Circuit D23662 is being designed to reduce exposure and KVA load on this circuit. Overload relief projects for two stepdown transformers are scheduled for installation in 2005.
Raccoon	23622 As part of the 2003 circuit ownership program, identified and repaired failed lightning arresters and replaced faulty strain insulators. Infrared inspection completed 6/29/04, and identified hot spots were repaired 8/23/04. Underground Maintenance Plan currently in development. Overload relief projects for two stepdown transformers are scheduled for installation in 2005.
Ambridge	23635 Vegetation Management completed in 2003. Targeted for 2005 lateral line fusing project to eliminate instantaneous breaker trips and reduce momentaries, which will allow faster problem resolution and reduce circuit exposure to vegetation issues.
Phillips	23660 The slow responding Phillips – Sheffield breaker on circuit 22848 caused the breaker on D23660 to clear several times dropping D23660. The slow responding breaker was replaced in November 2003. Lateral fuses installed 9/13/04. Infrared inspection completed 8/6/04, identified hot spots repaired 8/25/04/
Montour	23670 New circuit Findlay D23613 is being installed to reduce exposure and connected KVA on this circuit.
Montour	23674 Under 2003 circuit ownership program, identified and repaired failed lightning arresters and replaced faulty strain insulators.
Montour	23675 New circuit Findlay D23613 is being installed to reduce exposure and connected KVA on this circuit. Overload relief projects for stepdown transformers completed 9/18/03.
Woodville	23681 Overloaded step-down transformers on this circuit were relieved in July 2003. Investigated circuit load block sizes for possible reconfiguration, load blocks and circuit configuration were determined to be appropriate.
North	23704 Vegetation Management completed in 2003. New Wildwood substation is being planned near this circuit, which will allow reduced exposure and connected KVA on this circuit.
Pine Creek	23710 New circuit Pine Creek D23718 is planned to reduce exposure and connected KVA on this circuit.
Pine Creek	23711 New Wildwood substation is being planned which will provide load relief to this circuit. Reducing exposure should improve circuit performance.
Pine Creek	23715 New Wildwood substation is being planned near this circuit, which will allow reduced exposure and connected KVA on this circuit. Vegetation Management line clearance 98% complete, will be completed in 2004.
Pine Creek	23716 Vegetation Management line clearance 75% complete, will be completed in 2004. New Wildwood substation is being planned near this circuit, which could then be utilized to reduce load and exposure if warranted. Infrared inspection done 6/30/04, identified repairs scheduled for fourth quarter 2004.
Dravosburg	23750 Vegetation Management completed in 2003. Replacement of a manually operated tie switch with a remotely controlled automatic sectionalizer is scheduled for completion in 2004.
Wilmerding	23760 New Port Perry substation is being built near this circuit, which will provide new circuit Port Perry D23970 to greatly reduce this circuit's exposure and connected KVA. Lateral fuses installed 6/1/04. Infrared inspection completed 6/17/04, identified hot spots repaired 8/24/04.
Arsenal	23840 Extended circuit Arsenal D23844 to reduce exposure and connected KVA from this circuit. Vegetation Management line clearance project is being designed now for completion in 2004.
Mount Nebo	23870 Repaired sectionalizer that had misoperated. Vegetation Management completed in 2003. New circuit Mount Nebo D23871 is planned to reduce exposure and connected KVA on this circuit. Lateral fuses installed 2/5/04. Infrared inspection done 7/15/04; identified hot spots repaired 8/23/04.
Rankin	23880 New Homestead substation is being built near this circuit in 2004, and will provide new circuits to greatly reduce this circuit's exposure and connected load.
Logans Ferry	23920 Vegetation Management completed in 2002. Lateral fuses installed 2/23/04. Infrared inspection 6/17/04. Identified hot spots repaired 9/1/04. Future distribution circuits out of Logans Ferry Substation for the Oakmont elimination and proposed California Substation will greatly reduce exposure and connected KVA.
Evergreen	23953 Repositioned a sectionalizer in October 2003 to divide connected load on two load blocks. A replacement of a sectionalizer with a recloser, and the installation of an additional sectionalizer was completed 7/28/04.

(e)(4) (continued)

In addition to the specific circuit items mentioned above, a program to ensure that the distribution system is ready to withstand heat and storm seasons was developed for implementation in 2003. This program's focal points included ensuring that automatic switching devices are in good working order; addressing small groups of customers experiencing repeated outages; and the development of a long-term plan for addressing underground cable failures.

As a direct result of this initiative, we completed 1200 preventive and corrective maintenance projects on half of the fleet of automatic sectionalizers and reclosers in 2003. We are completing a similar project on the other half of the fleet in 2004.

As of September 30, we have completed 93% of planned preventive maintenance work on sectionalizers (526 of 565). The 39 devices still showing as due for maintenance are instead being replaced this year. The PM schedule is readjusted each year to reflect the actual fleet count.

We have also completed 91% (513 of 561) corrective maintenance projects on sectionalizers. The number of emergent corrective maintenance projects in 2004 is about 20% less than in prior years, indicating that preventive maintenance and rehabilitation projects are having a positive effect on the fleet of sectionalizers.

(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.

October 1, 2003 through September 30, 2004

Cause	No of Outages	Outage Percentage	KVA Total	KVA Percentage	KVA-Minute Total	KVA-Minute Percentage
Storms:	1,052	30.1%	3,460,168	35.5%	561,799,983	42.2%
Tree Growth and Contact	202	5.8%	388,896	4.0%	42,751,931	3.2%
Tree (Falling Limb or Tree)	561	16.0%	1,492,814	15.3%	275,303,109	20.7%
Equipment Failures	889	25.4%	2,964,049	30.4%	256,511,299	19.3%
Overload	174	5.0%	131,906	1.4%	10,131,777	0.8%
Vehicles	143	4.1%	233,108	2.4%	23,773,144	1.8%
All Other:	477	13.6%	1,065,060	10.9%	160,922,753	12.1%
Total	3,498	100.0%	9,735,999	100.0%	1,331,193,995	100.0%

(e)(6) Quarterly and year-to-date information on progress toward meeting transmission and distribution inspection and maintenance goals/ objectives.

Program	Unit	3rd Qtr Target	3rd Qtr Actual	YTD Target	YTD Actual
Communications	Work Hours	9,958	6,954	29,873	23,450
Overhead Distribution	Work Hours	8,904	10,454	26,712	30,021
Overhead Transmission	Work Hours	485	229	1,454	853
Substation	Work Hours	16,470	19,014	49,410	54,295
Underground Distribution	Work Hours	6,274	3,723	18,882	11,895
Underground Transmission	Work Hours	443	361	1,327	1,075
Vegetation Management	Miles	336	257	1,008	823

(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.

Program	3rd Qtr Actual	3rd Qtr Budget	YTD Actual	YTD Budget
Communications	317,813	437,963	1,072,893	1,313,890
Overhead Distribution	500,506	486,439	1,543,811	1,459,318
Overhead Transmission	211,086	284,298	630,968	852,895
Substation	1,058,668	886,648	2,885,324	2,659,943
Underground Distribution	212,438	307,662	629,081	922,987
Underground Transmission	14,395	64,490	47,567	193,469
Vegetation Management	1,152,702	1,501,547	4,252,299	4,504,642
Restoration of Service	1,148,116	779,712	3,349,415	2,339,135
Customer Commit	450,679	269,196	1,321,468	807,587
Non Work Plan and Admin Items	18,587,421	19,687,991	51,452,576	55,472,637
Total	23,653,824	24,705,946	67,185,402	70,526,503

(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.

Program	Quarterly Actual	Quarterly Budget	YTD Actual	YTD Budget
4kV Conversion	172,693	484,734	1,669,331	1,454,203
Capacity Enhancements	2,190,505	2,493,253	8,009,854	7,479,759
Communications	1,343,250	900,134	2,163,274	2,700,401
Customer Commit	4,239,882	3,973,654	15,080,279	11,920,961
Customer Operations	632,478	750,000	2,076,702	2,250,000
Facilities	231,106	134,590	615,973	403,769
IT	-4,067	0	38,771	0
Other	889,144	889,867	-1,377,823	2,669,602
Overhead Distribution	811,553	2,411,307	6,396,239	7,233,921
Overhead Transmission	217,796	996,590	2,250,472	2,989,769
Restoration of Service	6,447,834	3,685,367	14,968,533	11,056,100
Substation	1,399,658	1,654,159	3,794,839	4,962,478
Underground Distribution	506,134	1,196,685	2,026,497	3,590,055
Underground Transmission	-793	64,456	25,260	193,367
Vegetation Management	45,303	115,750	110,334	347,250
Total	19,122,476	19,750,546	57,848,535	59,251,635

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

Telecom	33
Substation	57
Underground	67
Overhead	194
Apprentice	24
Mobile Workers	4
Engineering	63
Service Center Technician	15
Traveling Operator/Troubleshooter	53
Load Dispatchers	12
Metering Technicians	47
Meter Readers	18
Customer Service Reps	108
Admin/Supervisory/Mgmt	407
Total	1,102

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

Third Quarter 2004

Contractor dollars: \$1,388,599
Contractor hours: 30,858

September 2004 YTD

Contractor dollars: \$4,883,633
Contractor hours: 109,174

(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.

July	42%	(129 accepts, 179 refusals)
August	47%	(218 accepts, 242 refusals)
September	45%	(197 accepts, 244 refusals)

We currently do not have the available data to report " the amount of time it takes to obtain the necessary personnel," and are investigating a plan to collect this data and the proper form for reporting the results. We are working with the Energy Association of Pennsylvania as well as the PUC to clearly define the requirements of this measure, to ensure that all PA utilities are reporting in the same manner and using the same definitions.



Allegheny Energy

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L-00030161

November 1, 2004

DOCUMENT

VIA FEDERAL EXPRESS

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

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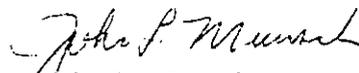
OFFICE OF CONSUMER ADVOCATE

Re: Third Quarter 2004 Reliability Report of Allegheny Power

Dear Secretary McNulty:

Enclosed please find an original and six copies of the Third Quarter 2004 Reliability Report of Allegheny Power. This report is filed by Federal Express and is deemed filed today, November 1, 2004. Copies have been served on the Office of Consumer Advocate and the Office of Small Business Advocate.

Very truly yours,


John L. Munsch
Attorney

cc: Thomas Sheets-PAPUC- Bureau of Audits

Re: Allegheny Power Third Quarter 2004
Reliability Report

NOV 1 2004
FBI

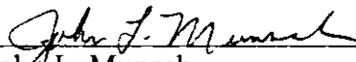
CERTIFICATE OF SERVICE

I certify that this 1st day of November, 2004, I have served a true and correct copy of the Quarterly Reliability Report of Allegheny Power, by first-class mail, postage prepaid, upon the following:

VIA FIRST-CLASS MAIL

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

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



John L. Munsch
Attorney for
ALLEGHENY POWER

Allegheny Power Quarterly Report for Third Quarter 2004 52 Pa. Code Section 57.192 Proposed Reporting Requirements

Allegheny Power submits this quarterly report according to the format contained in the Commission Order at Docket No. L-00030161.

1. Description of major events during the preceding quarter.
 - a. A Major Event occurred on the following date. A description of this event is attached in Appendix V as 'Request for Exclusion of Major Outage' report previously issued to the Commission and pending approval.
 - i. September 17 to September 21, 2004: Hurricane Ivan - High winds, severe rain, and flooding.
 - b. Allegheny Power's Restore Service Process Management Team continuously monitors the process and conducts post-event meetings in an attempt to enhance the restoration process for future events.
2. Rolling 12-month reliability index values (SAIDI, CAIDI, SAIFI, and, if available, MAIFI) for the electric distribution company's service territory for the preceding quarter.
 - a. The following table provides Pennsylvania's 12-month ending reliability statistics for month ending September 2004.

Zone	Incidents	Interrupted Customers	Avg Cust Served	kVA	Calls	CMI	SAIDI	ASAI	CAIDI	SAIFI
Pennsylvania	15863	805365	686,921	7,772,525	119519	156,716,992	228	0.999567	195	1.17

- b. MAIFI statistics are not recorded or readily available at Allegheny Power. As disclosed in prior filings, sufficient field equipment is not available to provide meaningful data for momentary interruptions.
- c. The following table provides Allegheny Power's current benchmarks and standards. Note that Allegheny Power has a petition pending with the Commission to change its benchmarks due to incomplete and inaccurate outage data utilized during establishment of the benchmarks.

DOCUMENT

Reliability Indices	Recomputed Benchmark	Rolling 12-Month Standard	Rolling 3-Yr Avg. Standard
SAIFI	0.67	0.8	0.74
CAIDI	178	214	196
SAIDI	119	172	144

DOCKETED
DEC 15 2004

3. Rolling 12-month reliability index values for worst performing 5% of the circuits in the system.

- a. This report provides a listing of all Pennsylvania circuits ranking in the lowest five percent as ranked by the Distribution Circuit Interruption Index (DCII). The data is ranked by DCII and includes all of the standard indices. The report is attached as Appendix I.
 - b. Distribution Circuit Interruption Index is a composite index based on the SAIFI, CAIDI, SAIFI, and ASAI (see the description of the calculation of this index in Appendix IV).
4. Specific remedial efforts taken and planned for the 5% worst performing circuits.
- a. Allegheny Power'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 three or more lockouts/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. In addition to the above-mentioned process, poor performing circuits are ranked by DCII. Field personnel review these circuits quarterly. After the third quarter reporting is complete, action plans are developed for circuits requiring more comprehensive maintenance and these plans are incorporated in next year's budgets and work plans.
 - c. Allegheny Power has also initiated a Reliability Improvement Initiative (RIPInit) for 2004 to review over-current protection on poor performing and high-density distribution circuits. This initiative is focusing on installing additional sectionalizing equipment to reduce main line exposure and to minimize the number of customers impacted by forced interruptions. Many of these RIPInit circuits are also on the worst performing circuit list.
 - d. Work plans for the 2004 list of poor performing circuits are shown in the second part of Appendix I. The numbers under the heading '2004 RIPINIT' are the numbers of sectionalizing devices to be added to the circuits that are targeted in 2004 – cutouts, reclosers, sectionalizers, etc.
 - e. The following clarification needs to be made pertaining to poor performing circuits. This is a quarterly and annual reporting requirement for the PUC. AP sets up work plans for poor performing circuits on an annual basis. The list is targeted each September so that work plans and budgets can be established before yearend for the following year. A poor performing circuit list when queried quarterly can be different from the annual list with the established work plans. AP provided comments about this in the regulatory proceeding. Further, AP's statistics become available on about the 20th of the month. AP cannot have work plans and remedial actions for circuits on the list before a quarterly report is due by the first of the next month. AP cannot establish work plans and provide updates on remedial actions for approximately 40 circuits in a span of 11 days. Much

of the work on these circuits is carried out over fair-weather months and planned well ahead of time by the various local planning engineers. The only action AP can take is to update any work plans for the poor performing circuit list established in the annual report for the whole year. It is reasonable to report remedial actions on circuits which have been on a poor performing list for more than one year, as was required in the annual report.

5. A breakdown and analysis of outage causes during the preceding quarter.
 - a. A summary of outage causes by customers interrupted, customer minutes interrupted, and by number of incidents follows. Note that 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 outages on a circuit. One outage may be recorded as multiple incidents on different phases or grouped to different sectionalizing devices. 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.
 - b. Note that 72% of all customer interruptions are caused by non-equipment-related causes. Also note that 97% of customers interrupted by trees are a result of trees falling from outside of the right-of-way.
 - c. Allegheny Power'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 Sept 04		Customers Interrupted 12 Month ending Sept 04		Customers Minutes Interrupted 12 Month ending Sept 04	
	Number	Percent	Number	Percent	Number	Percent
Animals	1,194	7.5%	41,236	5.1%	5,349,248	3.4%
Overhead Equipment Failure						
Overhead Line Equipment	1,240	7.8%	26,814	3.3%	4,695,130	3.0%
Overhead Line Material	1,742	11.0%	101,148	12.6%	14,235,123	9.1%
Overhead Wire	1,217	7.7%	60,351	7.5%	9,516,994	6.1%
Underground Equipment						
Underground Line Material	52	0.3%	2,131	0.3%	209,344	0.1%
Underground Line Equipment	97	0.6%	1,960	0.2%	547,200	0.3%
Underground Cable	380	2.4%	10,235	1.3%	3,451,611	2.2%
Service Equipment	37	0.2%	72	0.0%	24,757	0.0%
Substation Equipment	85	0.5%	23,960	3.0%	2,303,611	1.5%
Other	162	1.0%	13,128	1.6%	1,534,297	1.0%
Public/Customer	1,655	10.4%	107,775	13.4%	20,263,331	12.9%
Trees						
On Right of Way	138	0.9%	8,140	1.0%	1,647,208	1.1%
Off Right of Way	3,534	22.3%	205,276	25.5%	53,880,374	34.4%
Unknown	1,898	12.0%	91,480	11.4%	12,154,352	7.8%
Weather	2,432	15.3%	111,649	13.9%	26,904,402	17.2%
Total	15,863	100%	805,365	100%	156,716,992	100%

6. Quarterly and year-to-date information on progress toward meeting transmission and distribution inspection and maintenance goals/objectives.
 - a. A report attached as Appendix II provides a listing of updates to the planned Ensure Reliable Service work for 2004. The information is subdivided by ERS Program.

7. Quarterly and year-to-date information on budgeted versus actual transmission and distribution operation and maintenance expenditures.

T&D Unit	2004 Budget	Q1 Actual	Q2 Actual	Q3 Actual	YTD
Dispatching	\$ 1,494,380	\$ 341,478	\$ 435,400	\$ 371,954	\$ 1,148,832
Forestry	\$ 16,440,612	\$ 3,816,745	\$ 4,156,483	\$ 3,253,086	\$ 11,226,314
Lines Operations	\$ 20,494,482	\$ 5,107,599	\$ 5,946,639	\$ 7,195,967	\$ 18,250,205
Line Services	\$ 5,658,226	\$ 858,115	\$ 1,352,630	\$ 878,834	\$ 3,089,579
Metering and System Protection	\$ 2,717,844	\$ 611,757	\$ 697,807	\$ 654,911	\$ 1,964,475
Projects	\$ 347,250	\$ 61,754	\$ 136,972	\$ 79,491	\$ 278,217
Substations	\$ 9,947,895	\$ 1,913,466	\$ 2,225,131	\$ 2,186,663	\$ 6,325,260
System Operations	\$ 2,478,111	\$ 545,539	\$ 626,895	\$ 560,066	\$ 1,732,500
System Planning	\$ 1,506,802	\$ 377,335	\$ 454,383	\$ 350,617	\$ 1,182,335
Total	\$ 61,085,602	\$ 13,633,788	\$ 16,032,340	\$ 15,531,589	\$ 46,197,717

8. Quarterly and year-to-date information on budgeted versus actual transmission and distribution capital expenditures.

Equipment Category	2004 Budget	Q1 Actual	Q2 Actual	Q3 Actual	YTD
Distribution Lines	\$ 40,102	\$ 6,961	\$ 9,870	\$ 10,316	\$ 27,147
Distribution Substation	\$ 11,452	\$ 2,557	\$ 1,994	\$ 2,540	\$ 7,091
EHV Lines	\$ -	\$ -	\$ 18	\$ 2	\$ 20
EHV Substation	\$ 260	\$ 47	\$ 121	\$ (47)	\$ 121
General Plant	\$ 3,951	\$ 32	\$ 232	\$ 710	\$ 974
Sub-transmission Line	\$ 2,312	\$ (10)	\$ 280	\$ 278	\$ 548
Subtotal	\$ 58,077	\$ 9,587	\$ 12,514	\$ 13,799	\$ 35,900
less contribution by others	\$ 10,790	(incl above)	(incl above)	(incl above)	(incl above)
Total Distribution	\$ 47,287	\$ 9,587	\$ 12,514	\$ 13,799	\$ 35,900
Transmission Substation	\$ 3,735	\$ 590	\$ 232	\$ 616	\$ 1,438
Transmission Line	\$ 3,671	\$ 731	\$ 477	\$ 1,445	\$ 2,653
Total Transmission	\$ 7,406	\$ 1,321	\$ 709	\$ 2,061	\$ 4,091
Total T&D	\$ 54,693	\$ 10,908	\$ 13,223	\$ 15,860	\$ 39,991

9. Dedicated staffing levels for transmission and distribution operation and maintenance at the end of the quarter, in total and by specific category.

a. Staffing levels for the third quarter of 2004 follows:

Position Name	Count
Lead Lineman	117
Lineman A	67
Lineman Apprentice	1
Lineman B	4
Lineman C	1
SS Crew Leader Construction	1
SS Crew Leader Maintenance	14
SS Electrician A	34
SS Electrician Apprentice	9
SS Electrician B	3
SS Electrician C	1
Serviceman A	94
Serviceman Apprentice	8
Serviceman B	3
Utilityman A	8
Utilityman B	2
Total	367

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 Allegheny Power's contracted work involves firm price contracts for which no man-hours are documented.

Quarter	Contract Dollars - Qtr	Contract Dollars - YTD
1 st qtr	\$2,408,829	\$2,408,829
2 nd qtr	\$3,315,254	\$5,724,083
3 rd qtr	\$4,257,059	\$9,981,142

11. Monthly call-out acceptance rate and time required to obtain necessary personnel for transmission and distribution workers.

- a. Attached as Appendix III is a report indicating call out acceptance for the each service center in Allegheny Power's Pennsylvania service territory. The monthly call-out acceptance rate does not include statistics for crewmembers who are assigned ready-response duties, where applicable.
- b. Allegheny Power does not currently have a means to automatically and consistently record the amount of time to obtain necessary personnel. This is a new reporting requirement and it will require further effort to interpret requirements and implement technologies to track and record outage response times. An upgrade to the Company's outage management system is planned for 2005. This upgrade is expected to provide recording capability for this requirement. Allegheny Power issued a waiver request on August 4, 2004 for this reporting requirement as required in Docket No. M-00991220.

Appendix I – Distribution Circuit Ranking

SCName	SSName	CktName	CustServed	DCI	SAFI	SAIDI	CAIDI	ASAI	CAI	CustIntrup	CircuitLockouts	Incidents	Miles
Arnold	KISKI VALLEY DISTRIB	LUCESCO	420	-113	2.69	2,812	1,042	0.99470	1,177,751	1,130	0	38	24
Arnold	KISKI VALLEY DISTRIB	WEINELS CROSSROADS	1124	10	2.61	941	360	0.99820	1,058,541	2,931	3	42	12
Arnold	LOGANS FERRY NO. 2	LOGANS FERRY	239	-69	1.01	1,680	1,665	0.99680	401,330	241	1	3	3
Arnold	MATEER	DOME RD	1130	-21	1.86	1,385	743	0.99740	1,564,773	2,105	1	71	103
Arnold	SALTSBURG	BELL TOWNSHIP	762	7	3.39	913	269	0.99830	693,996	2,580	1	48	41
Arnold	TUNNELTON	TUNNELTON_DIST	18	-254	8.23	5,311	249	0.98990	35,922	144	1	33	8
Arnold	VANDERGRIFT	AIRPORT	573	9	1.46	937	642	0.99820	534,976	833	1	39	22
Boyce	CECIL	MURRAY HILL	1559	11	2.41	929	387	0.99820	1,449,862	3,748	1	61	26
Boyce	PETERS	BEBOUT	1034	-28	1.46	1,870	469	0.99640	706,438	1,507	1	25	20
Boyce	ST. CLAIR	MCLAUGHLIN	838	14	2.58	885	344	0.99830	566,499	1,845	1	28	12
Butler	BUENA VISTA	CHCORA	1094	-2	4.40	937	214	0.99820	1,027,411	4,810	4	33	51
Butler	BUENA VISTA	HOOVER	298	0	5.00	816	163	0.99840	243,386	1,491	4	13	22
Butler	PORTERSVILLE	WEST LIBERTY	413	1	4.65	845	182	0.99840	348,743	1,921	2	38	40
Hyndman	HYNDMAN	RT 96 N	660	-31	0.06	161	2,663	0.99970	106,514	40	0	9	39
Jeanette	BYERLY CREST	BLUE DELL	1046	13	3.87	752	194	0.99860	785,127	4,048	3	51	17
Jeanette	ROBBINS	BRADDOCKS TRAIL	1207	0	2.15	1,036	510	0.99790	1,322,709	2,593	2	21	26
Jeanette	WHITE VALLEY	BORLANDS RD	636	11	2.75	909	331	0.99830	580,145	1,751	2	38	26
Jeanette	YOUNGWOOD	ARMBRUST	743	-19	4.17	1,256	303	0.99760	938,938	3,095	3	43	32
Jefferson	RUTAN	BRISTORIA	1162	10	2.29	948	416	0.99820	1,105,474	2,657	0	63	189
McDonald	HICKORY	FORT CHERRY	1106	-86	7.29	1,989	269	0.99620	2,171,009	8,059	3	121	69
McDonald	HICKORY	HICKORY	874	-16	5.09	1,079	211	0.99790	940,358	4,448	3	90	68
McDonald	NORTH FAYETTE	CLIFF MINE	807	15	3.15	821	262	0.99840	664,988	2,539	2	23	10
McDonald	NORTH FAYETTE	TYRE	942	-31	4.47	1,427	319	0.99730	1,342,208	4,203	1	108	54
Pleasant Valley	DONEGAL	CHAMPION	1117	-18	6.06	953	156	0.99820	1,058,117	6,762	5	88	61
St Marys	KANE	PENNZOIL	329	-7	3.91	1,088	278	0.99790	357,077	1,283	2	16	22
St Marys	LARCH STREET	COMMERCIAL LARCH ST	949	3	2.00	1,061	529	0.99800	1,002,527	1,894	1	26	29
St Marys	LARCH STREET	POWER LARCH ST	1158	9	1.55	955	618	0.99820	1,105,972	1,790	1	36	42
St Marys	MARYINDALE	CLERMONT	801	0	2.32	1,095	474	0.99790	879,560	1,854	2	24	54
St Marys	MARYINDALE	MARVIN CREEK	289	14	1.06	810	761	0.99850	233,601	307	1	17	19
St Marys	ROULETTE	BURTVILLE	293	-73	3.00	2,207	735	0.99580	644,210	876	2	27	25
St Marys	ROULETTE	TOWN ROULETTE	469	-60	1.46	1,798	1,232	0.99660	842,514	684	1	12	20
State College	WHITEHALL	PINE GROVE MILLS	653	10	4.77	667	140	0.99870	434,706	3,115	3	64	18
Uniontown	MAXWELL	MAXWELL	221	10	3.17	869	280	0.99830	196,383	702	3	13	6
Washington	AVELLA	W MIDDLETOWN	1054	6	1.62	993	610	0.99810	1,044,549	1,711	0	194	102
Washington	GALLEY	WATERDAM	1510	12	1.26	873	692	0.99830	1,320,539	1,909	0	62	27
Washington	HOUSTON	MCGOVERN	1481	-30	2.27	1,531	674	0.99710	2,269,913	3,366	0	89	67
Washington	HOUSTON	MURDOCK	1416	-33	2.43	1,583	653	0.99700	2,239,277	3,431	0	49	13
Washington	LAONDA	HATHAWAY	1018	5	3.09	984	320	0.99810	1,004,725	3,139	2	128	77
Waynesboro	UPTON	HEISEY	562	15	4.03	701	177	0.99870	400,128	2,266	2	35	48

Appendix I – Distribution Circuit Ranking Remedial Actions

SCName	SSName	CktName	2004 RIPINIT	Other Actions/Description
Arnold	KISKI VALLEY DISTRIB	LUCESCO		Monitor Reliability. On 2/5/2004, the entire substation had to be opened to repair a floating conductor on an airswitch just outside of the substation.
Arnold	KISKI VALLEY DISTRIB	WERNELS CROSSROADS	7	Monitor Reliability. On 2/5/2004, the entire substation had to be opened to repair a floating conductor on an airswitch just outside of the substation
Arnold	LOGANS FERRY NO 2	LOGANS FERRY		Monitor Reliability
Arnold	MATEER	DIME RD	63	A new fuse coordination scheme is scheduled for 2004.
Arnold	SALTSBURG	BELL TOWNSHIP	7	A fuse coordination for this circuit was completed in April 2004.
Arnold	TUNNELTON	TUNNELTON_DIST		Monitor Reliability. No outages since 5/11/2003. Reliability appears worse than indicated due to past connectivity issues which have been resolved.
Arnold	VANDERGRIFT	AIRPORT		Monitor Reliability. Tier II AIM has been completed. Circuit will continue to be monitored
Boyce	CECIL	MURRAY HILL	29	Vegetation Inspection - Major outages caused by trees. Circuit was tree trimmed in 2003.
Boyce	PETERS	BEBOUT		Vegetation Inspection. Major outages caused by off r/w trees. Circuit will be tree trimmed in 2004. Additional fusing completed 9/8/2003. 2005 RIPINIT Planned.
Boyce	ST. CLAIR	MCLAUGHLIN	6	Vegetation Inspection. Major outages caused by trees. Circuit was tree trimmed in 2003.
Butler	BUENA VISTA	CHICORA	4	in 2003, reliability on the Buena Vista SS - Chicora 12kV was addressed by installing lightning arrestors on the 12kV circuits.
Butler	BUENA VISTA	HOOKER		Install/Change OCR/Cutouts/Sectionalizing. The Hooker 12kV is feed from the same sub-station as the Chicora 12k and shares the same action plan for correcting sub-transmission.
Butler	PORTERSVILLE	WEST LIBERTY		Substation Protection. The majority of the outages to Portersville SS can be mitigated by installation of a 25kV automatic sectionalizing switch.
Hyndman	HYNDMAN	RT 95 N		Monitor Reliability. Current DCII ranking is improved.
Jeannette	BYERLY CREST	BLUE DELL	6	The circuit will be reconducted in 2004.
Jeannette	ROBBINS	BRADDOCK'S TRAIL	5	2004 RIPINIT.
Jeannette	WHITE VALLEY	BORLANDS RD	4	2004 RIPINIT.
Jeannette	YOUNGWOOD	ARMERJUST	9	Service Center to complete job to remove bad conductor and re-route circuit feed to improve reliability
Jefferson	RUTAN	BRISTORIA	19	71% of outages due to off Right of Way trees. Circuit will be trimmed in 2004, which should identify any more danger trees
McDonald	HICKORY	FORT CHERRY	21	Substation Rehabilitation. Most major outages occurred while substation was on one-way feed during rebuild.
McDonald	HICKORY	HICKORY	15	2004 RIPINIT.
McDonald	NORTH FAYETTE	CLIFF MINE		Monitor Reliability. Poor indices appear to be result of incorrect data issues, since corrected.
McDonald	NORTH FAYETTE	TYRE	17	2004 RIPINIT.
Pleasant Valley	DONEGAL	CHAMPION	12	Line Inspection. 3 of the instances were related to a transformer, insulator, and conductor slap
St Marys	KANE	PENNZOL		Continue to monitor. Fallen Off ROW trees accounted for 66% of customer minutes interrupted and animals 20%. It is no longer on the poor performing circuit list.
St Marys	LARCH STREET	COMMERCIAL LARCH ST		Continue to monitor. A circuit lockout due to snow loading accounted for 90% of customer minutes interrupted. It is no longer on the poor performing circuit list.
St Marys	LARCH STREET	POMER LARCH ST		2005 RIPINIT Planned
St Marys	MARVINDALE	CLERMONT	5	2004 RIPINIT.
St Marys	MARVINDALE	MARVIN CREEK		Continue to monitor. A circuit lockout due to snow loading accounted for 89% of customer minutes interrupted. It is no longer on the poor performing circuit list.
St Marys	ROULETTE	BURTVILLE		Continue to monitor. A circuit lockout due to snow loading accounted for 86% of customer minutes interrupted. It is no longer on the poor performing circuit list.
St Marys	ROULETTE	TOWN ROULETTE		2005 RIPINIT Planned
State College	WHITEHALL	PINE GROVE MILLS	16	2004 RIPINIT.
Uniontown	MAXWELL	MAXWELL		Monitor Reliability
Washington	AVELLA	WMIDDLETOWN		Off-cycle Tree-trimming performed. Over Circuit Protection Review. 2005 RIPINIT Planned.
Washington	GALLEY	WATERDAM	3	Install/Change OCR/Cutouts/Sectionalizing
Washington	HOUSTON	MCGOVERN	23	Over Circuit Protection Review
Washington	HOUSTON	MURDOCK	17	Over Circuit Protection Review
Washington	LAGONDA	HATHAWAY	28	Over Circuit Protection Review
Waynesboro	UPTON	HEISEY	4	Monitor Reliability. This circuit had several outages due to overloaded facilities. A phase addition was completed in June of 2003.

Appendix II – Goals Progress

2004 Goals - Pennsylvania - Complete Planned ERS Work				
Results as of: September 30				
ERS Program/Project	Unit of Measurement	Target for 2004	Actual Completed	% Completed
Forestry ERS Goals				
Transmission Herbicide Application	# Transmission Lines	19	10	52.6%
Transmission Lines Trimming and Clearing	# Transmission Lines	42	19	45.2%
Subtransmission Herbicide Application	# of Subtransmission Lines	50	37	74.0%
Subtransmission Line Trimming and Clearing	# of Subtransmission Lines	103	46	44.7%
Distribution Line Trimming, Clearing & Herbicide Applic.	# of Distribution Line Miles	5,873	3,727	63.5%
Transmission Lines ERS Goals				
Major ERS SS Projects	# Projects	1	0.65	65.1%
Major ERS Lines Projects	# Projects	2	1.24	62.2%
Transmission Comprehensive Patrol	# Transmission Lines	14	14	100.0%
Transmission General Patrol	# Transmission Lines	139	139	100.0%
Ground & Footer Inspections	# Transmission Lines	13	0	0.0%
Pole Inspection	# Transmission Lines	10	10	100.0%
Critical Transmission Repairs	# Critical Items	2	2	100.0%
Priority Transmission Repairs	# Priority Items	5	3	60.0%
Non-Critical Transmission Repairs	# Non-Critical Items	30	20	66.7%
Substation ERS Goals				
SS Work (Includes Capital, Planned, & Preventative)	Man-Hours	70,498	47,940	68.0%
SS Spraying	# Substations	710	200	28.1%
Controls Work (Includes Cap., Planned, & Preventative)	Man-Hours	13,952	8,234	59.0%
OH/Distribution Lines ERS Goals				
Subtransmission General Patrol	# Subtransmission Lines	418	418	100.0%
Individual ERS Budget Projects	Man-Hours	12,516	9,243	73.8%
Small Planning Projects	Man-Hours	29,801	18,615	62.5%
Pole Inspection	# of Circuits	49	49	100.0%
Danger Poles	# Danger Poles	93	66	71.0%
Reject Poles	# Reject Poles	235	229	97.4%
AIM Work	Points Completed	2,573	2,176	84.6%
RIP Program	Manhours	18,700	15,744	84.2%
UG Equipment Inspections	# Locations	6,730	4,638	68.9%
Recloser Inspections	# Reclosers	3,506	3,270	93.3%
Regulator Inspections	# Regulators	232	211	90.9%
Capacitors Inspections	# Capacitors	1,212	1,192	98.3%
Recloser Replacements	# Reclosers	251	148	59.0%
Structured Maintenance - Street Lights	# Street Lights	3,173	5,172	163.0%
UGD Distribution Lines ERS Goals				
UGD Cable Replacement	# Feet	12,200	2,789	22.9%
Cable Injection	# Feet	100,000	76,034	76.0%

Appendix III – Callout Acceptance

Allegheny Power 2004															
Pennsylvania Local 102															
Linemen															
Service Center	Jan, Feb, Mar			Apr, May, Jun			Jul, Aug, Sep			Oct, Nov, Dec			YTD		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	347	103	30%	756	163	22%	642	123	19%	0	0		1745	389	22%
Boyce	453	145	32%	678	223	33%	550	162	29%	0	0		1681	530	32%
Butler	512	138	27%	780	201	26%	495	121	24%	0	0		1787	460	26%
Charleroi	381	151	40%	529	148	28%	224	63	28%	0	0		1134	362	32%
Clarion	60	19	32%	139	35	25%	93	28	30%	0	0		292	82	28%
Jeannette	1124	150	13%	1321	205	16%	1112	155	14%	0	0		3557	510	14%
Jefferson	391	93	24%	564	136	24%	123	31	25%	0	0		1078	260	24%
Kittanning	181	59	33%	366	98	27%	227	79	35%	0	0		774	236	30%
Latrobe	365	150	39%	669	207	31%	742	186	25%	0	0		1766	543	30%
McConnellsburg	72	35	49%	179	76	42%	80	33	41%	0	0		331	144	44%
McDonald	195	45	23%	222	48	22%	206	24	12%	0	0		625	117	19%
Pleasant Valley	109	26	24%	395	78	20%	389	83	21%	0	0		893	187	21%
St. Mary's	132	35	27%	205	54	26%	126	40	32%	0	0		463	130	28%
State College	437	71	16%	626	114	18%	285	47	16%	0	0		1348	232	17%
Uniontown	504	125	25%	530	163	31%	530	127	24%	0	0		1564	415	27%
Washington	624	100	16%	689	120	17%	680	102	15%	0	0		1993	322	16%
Waynesboro	485	126	26%	688	150	22%	458	109	24%	0	0		1631	385	24%
Total AP Average	6392	1572	25%	9326	2219	24%	6964	1513	22%	0	0		22682	5304	23%
Electricians															
Service Center	Jan, Feb, Mar			Apr, May, Jun			Jul, Aug, Sep			Oct, Nov, Dec			YTD		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	26	19	73%	79	43	54%	43	30	70%	0	0		148	92	62%
Boyce	11	9	82%	9	7	78%	14	13	93%	0	0		34	29	85%
Butler	45	22	49%	42	25	60%	79	27	34%	0	0		166	74	45%
Charleroi	27	14	52%	36	21	58%	71	31	44%	0	0		134	66	49%
Jeannette	45	13	29%	55	16	29%	52	14	27%	0	0		152	43	28%
Jefferson	49	15	31%	49	15	31%	105	30	29%	0	0		203	60	30%
Kittanning	10	8	80%	10	10	100%	48	30	63%	0	0		66	48	71%
Latrobe	51	25	49%	52	13	25%	64	17	27%	0	0		167	55	33%
Pleasant Valley	58	17	29%	30	8	27%	45	10	22%	0	0		133	35	26%
St. Mary's	18	11	61%	24	13	54%	23	16	70%	0	0		65	40	62%
State College	15	7	47%	52	15	29%	43	12	28%	0	0		110	34	31%
Washington	26	9	35%	17	10	59%	29	11	38%	0	0		72	30	42%
Waynesboro	33	17	52%	72	13	18%	71	13	18%	0	0		176	43	24%
Total AP Average	414	186	45%	527	209	40%	687	254	37%	0	0		1626	649	40%
Total Combined AP Average	6806	1758	26%	9853	2428	25%	7651	1767	23%	0	0		24310	5953	24%

Appendix IV – Sample DCII Calculation

Allegheny Power 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:

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

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

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

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

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

Appendix V – Major Event Descriptions

A “REQUEST FOR EXCLUSION OF MAJOR OUTAGE” report for any major event is included on the following pages. Commission approvals follow if received in time for this report.

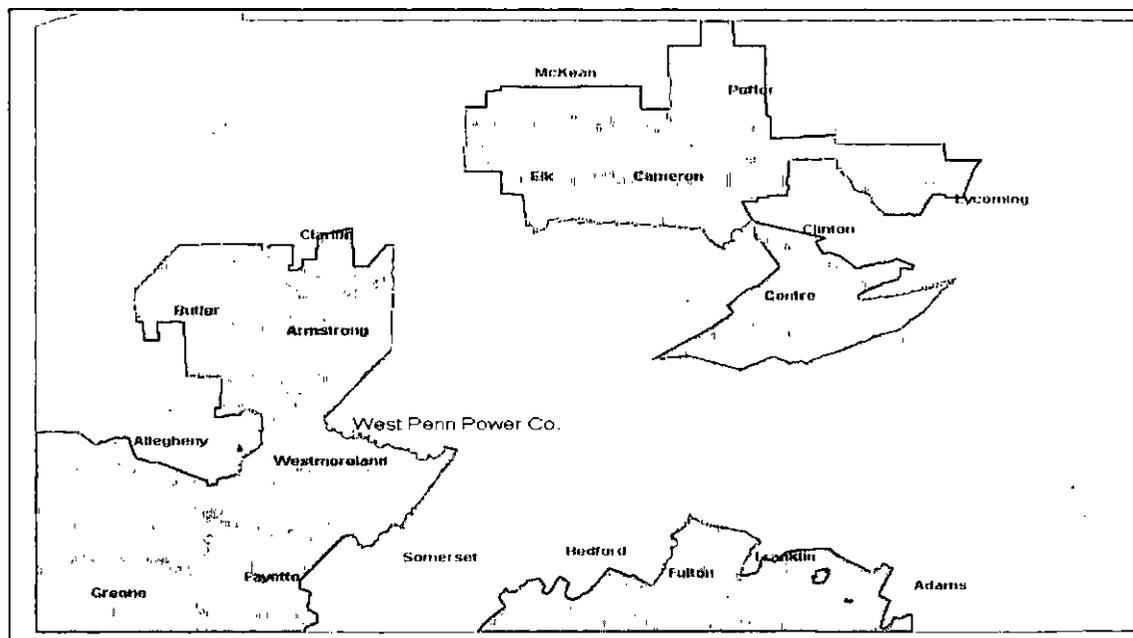
REQUEST FOR EXCLUSION OF MAJOR OUTAGE FOR
RELIABILITY REPORTING PURPOSES TO
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P O BOX 3265
HARRISBURG, PA 17105-3265

Reports require an original and one copy to be filed with the Secretary's Bureau.

Information Required:

1. Requesting Utility: Allegheny Power
Address: 800 Cabin Hill Drive
Greensburg, PA 15601
2. Name and title of person making request:

<u>James E. Barrell</u>	<u>Engineer, Reliability</u>
(Name)	(Title)
3. Telephone number: (724) 838-6113 e-mail: jbarrel@alleghenypower.com
4. Interruption or Outage:
 - (a) Number of customers affected: 91,120 customers
Total number of customers in service territory: 683,292 customers
 - (b) Number of troubled locations in each geographic area affected listed by county and local political subdivision:
1059 incidents in the Allegheny Power service territory affected all of AP's Pennsylvania Service Centers. The geographic areas affected in Pennsylvania were: Adams, Allegheny, Armstrong, Bedford, Butler, Cameron, Centre, Clarion, Clinton, Elk, Fayette, Franklin, Fulton, Greene, Lycoming, McKean, Potter, Somerset, Washington, and Westmoreland Counties.



- (c) Reason for interruption or outage, including weather data where applicable:

High winds, flooding, and isolated tornados resulting from Hurricane Ivan impacted Allegheny Power's entire service territory. See Appendix I for a Severe Weather Alert Allegheny received for the event. Also shown in Appendix I are precipitation maps indicating total rainfall of 6 inches or more in many areas and the last hurricane advisory issued by the National Weather Service.

- (d) The number of utility workers and others assigned specifically to the repair work:

<u>Company and other Repairmen</u>	<u>Support Personnel</u>	<u>Tree Trimmers</u>	<u>Total Workers</u>
273	169	44	486

The above numbers exclude the Corporate Centers' staffing that supports a restoration of service event of this size. These groups include the Customer Call Center, Centralized Dispatching, Operations Center, and Restore Service Process Team who support restoration across all AP.

- (e) The date and time of the first notification of a service interruption: September 17, 2004 11:00 AM
- (f) The actual time that service was restored to the last affected customer: September 21, 2004 6:30 PM

Remarks: On September 17, 2004, Allegheny Power experienced a severe weather event that impacted more than 90,000 customers in Pennsylvania as a result of the remnants of Hurricane Ivan. High winds, severe rain, and flooding affected all of Allegheny's service territory starting on Friday, September 17.

By the morning of Saturday, September 18, all of AP's Pennsylvania Service Centers were manned and being mobilized with additional support. Several Service Centers remained open on September 20th with the last one closing on the 21st. Appendix II provides a timeline of customer interruptions and restorations. Initial estimates from 11 of AP's 17 Pennsylvania service centers indicated that 37 poles and 53 distribution transformers were replaced, 462 spans of wire were repaired or replaced, and 284 services were repaired.

Note: The number of customers interrupted in this report is from the outage management system after data is reviewed for duplicate outages, etc. This number may differ from the estimated number of customers interrupted in the previous Report of Outage (PUC Order 75PRMD9) submitted by Allegheny Power to PA PUC during the event.