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PROJECT NO. 32182

PUC INVESTIGATION OF METHODS	§	PUBLIC UTILITY COMMISSION OF TEXAS
TO INFRASTRUCTURE THAT WILL	§	
MINIMIZE LONG TERM OUTAGES	§	
AND RESTORATION COSTS	§	
ASSOCIATED WITH GULF COAST	§	OF TEXAS
HURRICANS		

United Telephone Company of Texas and Central Telephone Company of Texas (Sprint) Response to Staff's Memorandum of December 23, 2005

Sprint offers the following remarks in response to the Public Utility Commission of Texas Staff's Memorandum dated December 23, 2005

1. If your company provided service in areas affected by Hurricane Rita, please provide your company specific information on the number of customers affected, the minimum, maximum and average outage duration for the customers affected.

Approximately 10,000 customers were out-of-service on Sunday, September 25th, at the immediate storms end. 80% of customers were restored to service by end of day, Monday, September 26th. The vast majority of remaining customers were in-service by end of day, Wednesday, September 28th. All customers were returned to service when technicians were allowed into all affected areas. 99% of all customers were restored to permanent or temporary service within 5 days of the hurricane. Several permanent restorals are still under construction, and will be completed by March 1, 2006.

2. Please provide information on additional non-company resources deployed in the area for the restoral effort.

Approximately 26 individuals who were non-company resources worked in various areas and stages during the storm recovery.

- 3. Please provide information on the types and physical quantity of facilities affected by the hurricane in your service area.
- a) What percent of those facilities were replaced using existing inventory.

Approximately \$678,000 of capital funds were used to replace cable, poles and miscellaneous material for storm recovery. Approximately \$260,000 in incremental expense costs for labor and material was also utilized. Some of the material was from existing inventory and other material was ordered from our suppliers.

b) What percent of those facilities had to be newly procured?

Approximately 95%

c) Are the facilities replaced meet the existing standards or exceed the standards to ensure survivability in the event of another hurricane of category 4 or higher?

In most cases Sprint replaced facilities to withstand a category 4 or higher hurricane, as most aerial plant was replaced with buried facilities. All of the facilities replaced meet and/or exceed Sprint standards.

3. What lessons were learned in the process that would improve restoral time or reduce cost of restoral in the future?

Sprint has Disaster Recovery plans in place and these plans were set into motion well ahead of the anticipated storm. Personnel were placed on alert, anticipated restoral material was ordered and received, generators, water, food, fuel and material were brought in or staged just outside the affected area. Disaster recovery calls with all affected organizations within Sprint were held on a regular basis prior to and throughout the recovery efforts.

The only area that would reduce cost of restoral in the future is to have all buried facilities. The main areas that hampered Sprint restoral efforts were lack of commercial power and our ability to deploy emergency generators because of lack of access. Sprint had ample generators and fuel in place throughout the storm to handle all recovery efforts.

4. What, if any, additional costs would be associated with improvements from lessons learned identified above? To what degree, if any, might they be offset by more timely restoral of services?

Nothing further than noted above.

5. How might your company's physical infrastructure be modified or replaced to enhance its ability to withstand severe hurricanes?

More buried facilities.

6. How does the cost of the modifications and replacements identified above compare with that of replacing storm-damaged infrastructure in the past?

Comparable. Sprint replaced any damaged facilities with like, or in many cases better facilities, then what presently existed. This is not uncommon to ice storms, tornadoes or other natural disasters that Sprint has dealt with in the past.

7. Has your company modified the planning, engineering and construction practices since Hurricane Rita for deploying facilities in the Texas Gulf coast region, if so how, please provide details.

No, Sprint has Disaster Recovery plans in place and those contingency plans served us well during Hurricane Rita.

8. How should the cost identified in the responses to the previous questions be recovered? Should the cost be recovered from general body of ratepayers, from the ratepayers in the affected areas, or from some other source?

In this case, the costs will be recovered through existing rates. Sprint has no comment on the other issues at this time.

9. What changes in depreciation practices are appropriate?

Sprint has not analyzed the need for any changes to depreciation practices related to storm damage at this time.

10. Should utility standards of construction in the coastal area be upgraded? Has your company provided input or planning to participate in the activities of standard setting organizations? If so provide details.

Sprint believes the standards that currently apply to its facilities are set appropriately.

Sprint appreciates the opportunity to file responses to the questions posed by Staff, and looks forward to working with the staff on these issues.

Respectfully submitted,

Sprint

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