

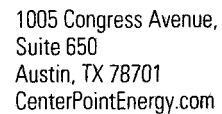


Control Number: 32182



Item Number: 32

Addendum StartPage: 0



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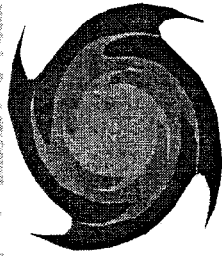
RE: Project No. 32182 – *PUC Investigation of Methods to Improve Electric and Telecom Infrastructure that will Minimize Long Term Outages and Restoration Costs Associated with Gulf Coast Hurricanes*

Dear Mr. Featherston:

Thank you for your attention to this matter.

DeAnn J. O'Kelly

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CenterPoint Energy Responds to Hurricane Rita

Don Cortez
Vice President of Distribution Support
Electric Operations

CenterPoint Energy Electric Operations



CenterPoint Energy's 5,000 square-mile service territory serves nearly 2 million customers in the Houston metropolitan area. The company's electric infrastructure is a robust, well-maintained system built to meet or exceed National Electrical Safety Code standards.

CenterPoint Energy works to make a significant difference in minimizing outages during hurricane or high wind conditions by:

- Hillje Project
- Proactive maintenance and vegetation programs
- Use of Automation Technologies

CenterPoint Energy Emergency Operation Plan



- Our EOP is designed to efficiently restore electric service in an orderly and timely manner
- Annually, CenterPoint Energy conducts a hurricane drill that includes emergency preparedness training for all Houston-area employees.
- The company is part of a nation-wide program, made up of the electric utilities and contractors, including tree-trimmers, that assist each other to restore electric service after devastating storms, such as ice, hurricanes, tornadoes, floods, etc.
- The company's first priority is to restore service to key facilities vital to safety, health and welfare, such as hospitals, water treatment plants and public service facilities
- The company then repairs major lines that restore power to the greatest number of customers in the shortest amount of time

CenterPoint Energy Emergency Operation Plan - Hurricane Rita



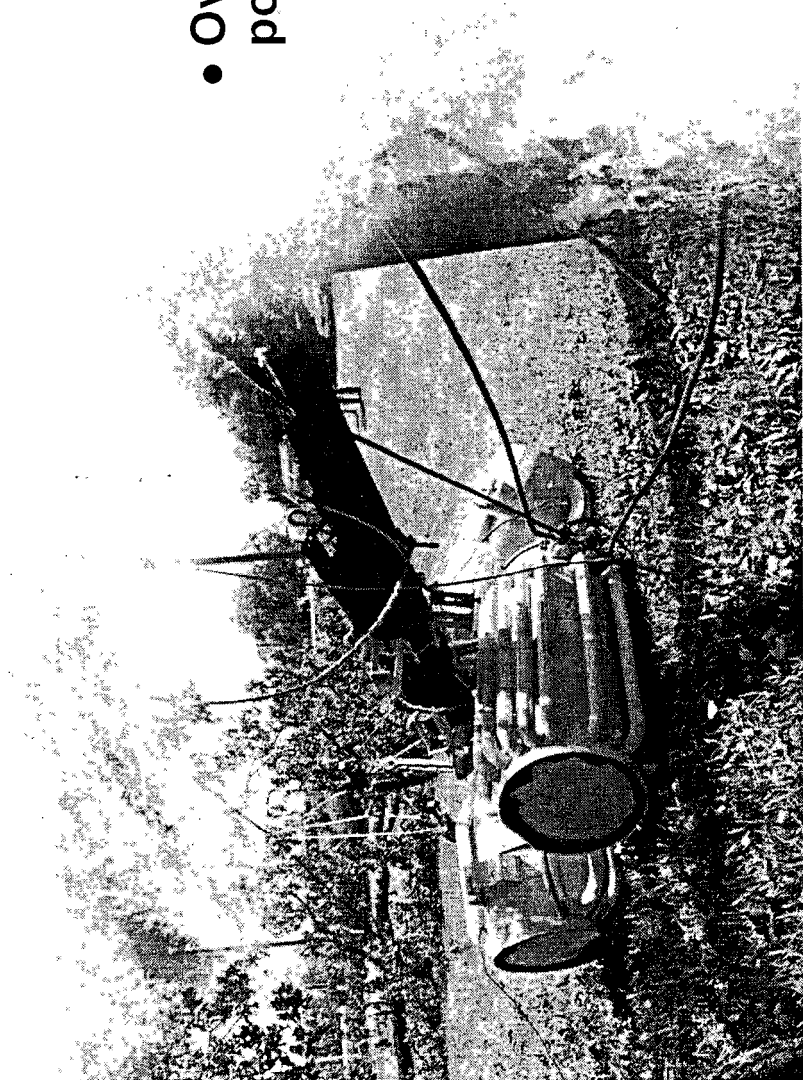
As soon as Rita entered the Gulf of Mexico,
CenterPoint Energy:

- Prepared the public for at least a two-week restoration process and provided safety tips using television, radio and newspapers
- Ensured that personnel (10,000 linemen and tree-trimmers), food, fuel and inventory were available for Category 5 event
- Adjusted plans when forecast changed and had 4,100 linemen and tree-trimmers, including mutual assistance personnel, on hand to work around the clock to restore power

Emergency Operation Plan - Hurricane Rita



- 70% of the company's service territory experienced hurricane or tropical storm force winds
 - The majority of the damage to power lines was from downed trees and contact by flying debris
- Over 700,000 customers lost power within a 12 hour period
 - 500,000 restored within 36 hours
 - 100% restored in less than 5 days

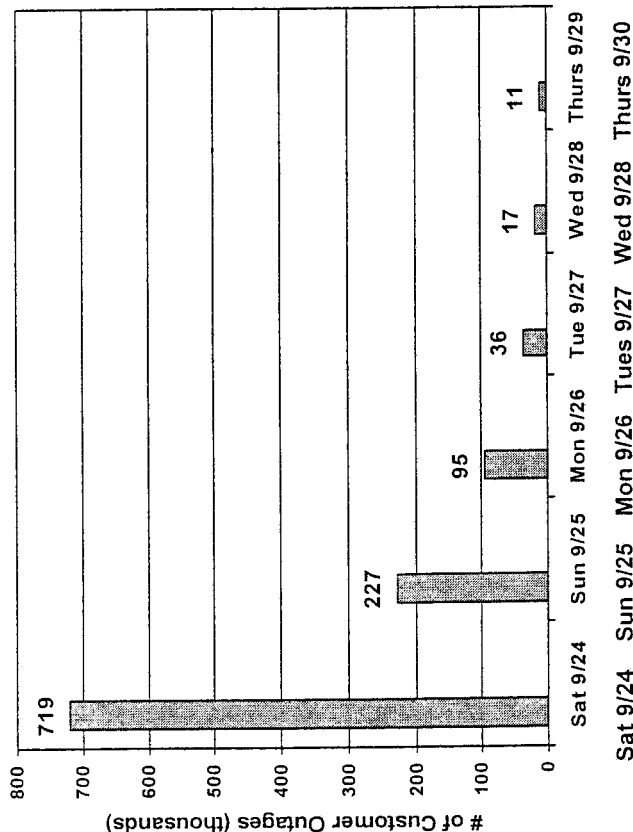


Restoration Facts

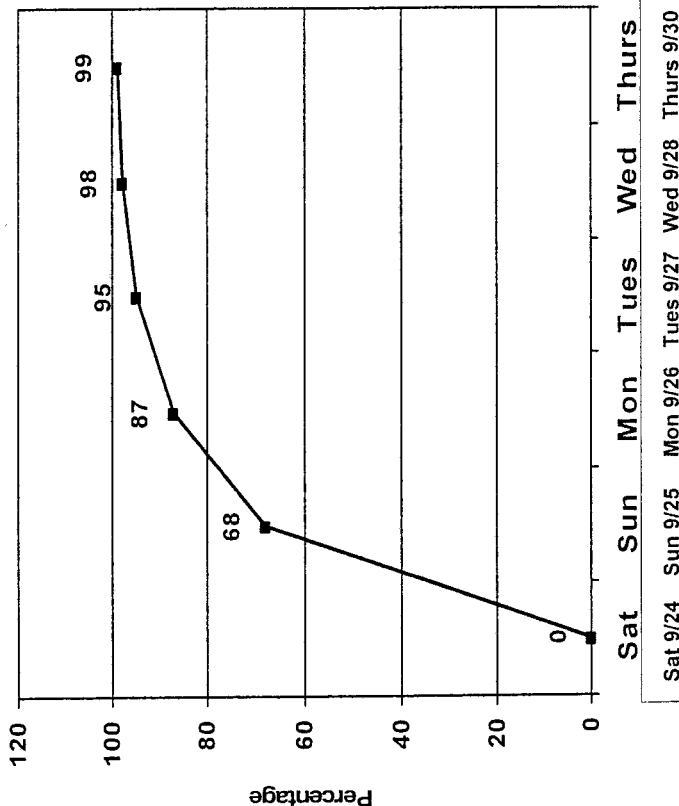


- Approximately 38% of customers were without power as a result of Rita
- Power was restored to 68% of customers within a day and to 95% of customers within 3 days

Simultaneous Customer Outages



% of Customers Restored



Note: Saturday Customer Outage Count was @ 6:00 am
 Sunday - Thursday was @ 7:00 am

Emergency Operation Plan - Hurricane Rita



Before, during and after Hurricane Rita made landfall, CenterPoint Energy interfaced and collaborated with all stakeholders, including:

- Local, state and federal officials
- The City of Houston and Harris County leaders
 - Participated in press conferences
 - Expedited power restoration to gas fueling stations and other key facilities
 - At the request of City of Houston mayor, restored power to pumping station that pushes water from the Trinity River to supply water to Houston Ship Channel chemical plants/refineries, Houston, Baytown and other cities
- The Texas Governor's Task Force in Austin

Mutual Assistance

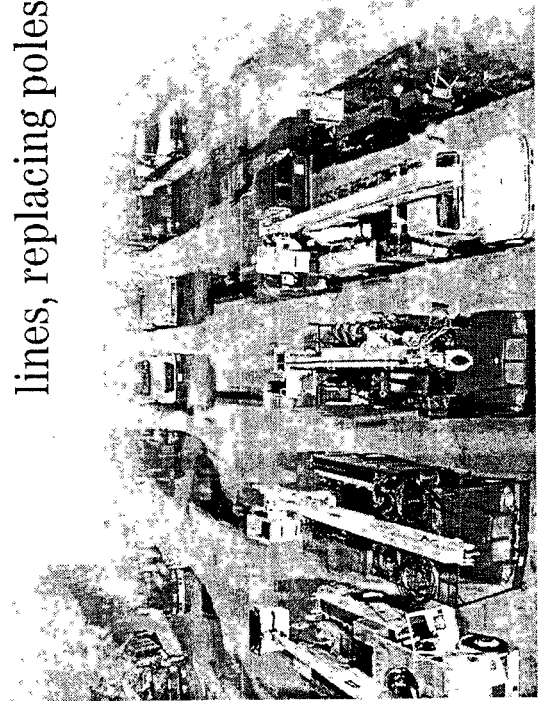


- **Mutual Assistance** a nation-wide program of companies helping each other restore electric service after major events, such as ice storms, hurricanes, tornadoes, or floods.
- Electric Edison Institute (EEI) unites electric marketplace companies world-wide by identifying emerging opportunities and driving positive outcomes. Two awards in 2005

“ These companies suffered incredible and often times repeated damage, and did an outstanding job restoring power under adverse circumstances. ”

“ These companies journeyed hundreds or thousands of miles to the stricken areas, provided thousands of workers, and offered expert assistance rebuilding lines, replacing poles and equipment, and getting the lights back on. ”

EEI



CenterPoint Energy has helped the following utilities:

- 2004 - 2005 – Utilities in Florida, Mississippi, Alabama and Louisiana after worst - hurricane seasons in history

The AAR Process



What is an After Action Review?

- A process to systematically and quickly identify improvement opportunities
- Developed by US Army 20 years ago, refined by APQC & CNP to fit our needs
- Consists of facilitated group meetings designed to identify differences between planned and actual performance and lessons learned for the next situation
- CNP has performed an AAR after big storms for about 3 years

Why conduct an AAR for Rita?

- First test of EOP in many years
- Want to identify improvements for the EOP
 - Consider securing and pre-staging 2-3 day supply of non-perishable food
 - Secure hotel space in non-coastal areas for some staff within 2-hour drive of Houston

CenterPoint Energy Emergency Operation Plan - Overall

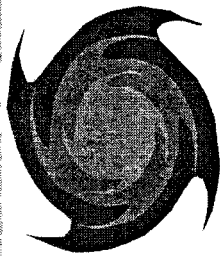
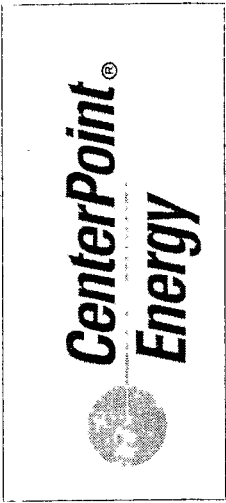


- New tools were utilized for the first time to better help us plan and visualize system status
- All EOP evaluation centers and service center command centers were quickly set-up and activated
- EOP timeline provided guidelines for effective execution
- Outstanding safety record, no vehicle or lost time accidents

**In Summary- All EOP's need to be flexible;
things don't happen according to plan**



- CenterPoint Energy EOP did not anticipate evacuation of Houston – demonstrated flexibility by adapting to quickly changing situations
- Evacuated employees & their families, as well as vehicles, from low-lying areas along the Gulf Coast, so that employees could begin restoration process immediately
- Secured food from as far away as Victoria when local food vendors evacuated or were re-directed
- Maintained gasoline for response teams when almost no one in Houston had it
- Remobilized forces on the heels of working in Florida and Louisiana with Hurricane Katrina and in Houston with Katrina evacuees



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