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#### PROJECT NO. 32182

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INVESTIGATION OF METHODS TO IMPROVE ELECTRIC AND TELECOM INFRASTRUCTURE THAT WILL MINIMIZE LONG TERM OUTAGES AND RESTORATION COSTS ASSOCIATED WITH GULF COAST HURRICANES

#### **PUBLIC UTILITY COMMISSION**

**OF TEXAS** 

# EL PASO ELECTRIC COMPANY'S COMMENTS TO STAFF'S DRAFT EXECUTIVE SUMMARY

El Paso Electric Company ("EPE") files these comments to the Staff's draft Executive Summary in the above-referenced proceeding and shows as follows:

### I. GENERAL COMMENTS

EPE agrees generally with the underlying purposes behind the recommendations of Commission Staff in this proceeding and agrees that all utilities in Texas should be aware of and continue to anticipate problems caused by severe weather events. However, EPE notes that not all Texas utilities face the same threat from weather-related events and questions whether all Texas utilities should be required to implement Staff's suggestions on the same timeline as those utilities located on the Gulf Coast that are facing imminent threat from hurricanes and related severe weather.

Further, the requirements call for the filing of several studies, reports, and details of new programs. In addition to being costly for the utilities, EPE questions what will happen to them once they are filed. Does the Commission have adequate staff and funding to review all the required reports/studies/programs? Will Staff issue approval of or recommendations on the various reports/studies/programs that are filed? Unless the Commission has sufficient staff and a workable plan for reviewing, in a timely manner, all of the information it is requiring in these

recommendations, EPE suggests that Staff reconsider the volume of work it is creating for utilities and for itself.

Finally, EPE notes that the reports/studies/programs and the activities required by Staff's recommendations will have substantial costs associated with them. Staff's recommendations do not address how such costs should be recovered.

## II. SPECIFIC COMMENTS

- 1. Require the development and implementation of an inspection cycle for vegetation management for all overhead electrical and telecommunication lines. This cycle should consider the growth rates of common vegetation in the service area. Utilities should provide the Commission with the details of its vegetation inspection program within six months.
- 2. Require the development and implementation of a regular, ground-based inspection cycle for all overhead electrical and telecommunication facilities, including a condition-based assessment of wood pole suitability for continued service. Utilities should provide the Commission with the details of this inspection program within six months.
- 3. Require utilities to establish processes, and incorporate these requirements into their existing contracts or tariffs, to ensure the structural integrity of poles and attachments in situations where utilities augment or add cable facilities to existing poles.

EPE COMMENT: EPE questions whether requiring these three reports within a six-month

period may be burdensome. In order to develop and establish thorough and comprehensive

programs and processes required by Recommendations 1-3, EPE suggests that the requirements

be staggered every three months, so that the first one is due within six months, the next one is

due within nine months, and the final requirement is due within twelve months.

4. Require each utility to provide the Commission with a report within one year that evaluates the level of inventory for transmission facilities considering the requirements of staff's recommendations.

EPE COMMENT: Again, EPE questions whether Recommendations 4-9 may be

burdensome, given that all are required to be accomplished within a year's time. EPE suggests

that Staff consider staggering the requirements, with the most crucial required to be accomplished within a year and the others due in three-month intervals.

5. Require removal within one year of all trees that could potentially damage electrical or telecommunication structures or facilities and that are located within the right of way (ROW) easement.

**EPE COMMENT:** EPE believes this recommendation is both overly broad and vague. Arguably, any tree within the right-of-way easement could "potentially damage" electrical or telecommunications structures or facilities. Removing all trees within a utility's right-of-way would be extremely costly. Further, unlike other areas of the state, trees in far West Texas are often a prized and valuable asset. Carefully planted and watered over the years, it is unlikely that landowners will be willing to allow EPE to unilaterally remove all trees in the ROW that could "potentially damage" electrical or telecommunications structures or facilities. EPE suggests that implementation of Staff's first recommendation in this project will be sufficient to identify any potential imminent threat of damage posed by trees in or near utilities' ROWs.

8. Require utilities to conduct inspections of all distribution circuits to determine whether the amount of non-electric equipment on structures is causing an overload on those structures. If overloads are identified utilities should be required to correct the problem. Furthermore, utilities should be required to institute practices that will prevent such overloads in the future. The results of this initial inspection should be reported to the Commission within a year.

**EPE COMMENT:** EPE believes that one year is not sufficient time for an electric utility to conduct an inspection of all of its distribution circuits to determine whether the amount of non-electric equipment or structures is causing an overload. As already suggested, Staff should consider staggering these requirements in three-month intervals to give utilities sufficient time to properly implement them. In the alternative, Staff may want to consider phasing in this

requirement so that half of a utility's distribution circuits must be inspected within a year's time, and the other half inspected by the end of the following year.

10. Require annual upgrades to current National Electric Safety Code (NESC) wind loading standards of at least 10% of the 230 kV or greater above-ground transmission infrastructure and 5% of the 138 kV or less starting with the highest voltage lines.

In addition, all transmission infrastructure upgrades within ten (10) miles of the Texas coastline should be required to meet current NESC standards assuming 140 mileper-hour wind speed. Annual reports on the utilities' upgrading programs should be reported to the Commission.

**EPE COMMENT:** EPE believes this recommendation is unclear. Does the recommendation require "annual upgrades," that is, yearly upgrades to the same transmission lines constituting 10% of a utility's 230-kV or greater aboveground transmission infrastructure or does it require upgrades of at least 10% of the 230-kV or greater above-ground transmission infrastructure each year? EPE believes the proper interpretation is the latter, but the recommendation is unclear.

Similarly, EPE questions the definition of "*current* National Electric Safety Code (NESC) wind loading standards." Must all future upgrades be made consistent with the NESC standards effective in 2006, or must such upgrades be made consistent with NESC wind loading standards in effect at the time such upgrades are made? Again, EPE believes the proper interpretation is the latter, but the wording is unclear.

With respect to the annual reports referenced in the recommendation, it is unclear whether such reports are required solely for upgrades within 10 miles of the Texas coastline or for all upgrades required in this recommendation.

On the technical side, EPE seeks clarification of whether Staff considers 69 kV lines to be transmission facilities that must be upgraded pursuant to Staff's recommendation.

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11. Require all new and replacement transmission structures to be pre-stressed concrete or steel.

**EPE COMMENT:** EPE believes that, for most utilities not located on the Texas Gulf Coast, this requirement is costly, overly burdensome and unnecessary. Certainly, for utilities along the Texas Gulf Coast, it makes sense to require all new and replacement transmission structures to be pre-stressed concrete or steel. However, for utilities such as EPE that face no threat from hurricane winds and water, this requirement would be costly to implement without a reciprocal benefit to EPE's customers. While many of EPE's existing transmission structures are made of steel, EPE still uses other materials (mostly wood) for its transmission facilities, especially in the more sparsely populated areas of EPE's service territory Those transmission facilities are not at risk due to hurricane winds and water. Further, EPE is concerned that, as a multi-state non-ERCOT utility subject to federal law, any such requirement could conflict with federal law or the law of other states.

EPE suggests that this recommendation be revised to apply only to utilities with facilities along the Texas Gulf Coast or to include a "reasonableness" or "cost effectiveness" standard.

12. Require utilities, through negotiation with landowners, to remove all trees that have limbs extending into, or those that may potentially extend into, the transmission and distribution ROW easements under high wind conditions.

**EPE COMMENT:** EPE believes this recommendation is overly broad, vague and, for the most part, unreasonable. As EPE has already noted in its response to Recommendation 5, trees are a valuable asset in far West Texas. Requiring EPE to remove all trees that have limbs extending into "or those that may potentially extend into" utility ROW easements is overly broad. To begin with, all trees in the ROW or near the ROW have limbs that "may potentially extend into" the ROW easements under high wind conditions. Further, this recommendation assumes that landowners are likely to agree to the removal of all trees that have limbs extending

into or that may potentially extend into the ROW easements under high wind conditions. Judging from experience, EPE suggests such assumption is overly optimistic at best.

If Staff believes that its Recommendation 1 is not sufficient to address this concern, EPE suggests that the recommendation be revised to read, "Require utilities to negotiate with landowners for the removal or trimming of trees with limbs that extend into or pose an imminent threat under high wind conditions to transmission and distribution facilities."

13. Require utilities to identify any damage of transmission and distribution facilities that occurs as the result of a weather event other than lightning, and provide an annual report to the Commission that includes; the cause of the damage, the type of facility involved and the voltage, and age of the structure or facility.

**EPE COMMENT:** EPE simply notes that, especially for distribution facilities, it may be unable to specify an exact age for the facility.

17. Require burial of all new distribution lines serving new residential developments.

**EPE COMMENT:** EPE believes that this recommendation is vague in that it requires new distribution lines "serving" new residential developments to be buried. EPE suggests that the recommendation be clarified that new distribution lines "within and serving new residential developments be buried." Implementation of the change will ensure that distribution lines are not required to be buried until they are actually in the residential development itself and that distribution lines traversing residential areas but not serving that particular development need not be buried.

### **III. CONCLUSION**

In closing, and for the reasons stated above, EPE respectfully submits these comments and requests their incorporation by the Commission in this proceeding.

Respectfully submitted,

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Bv Paul S. Ruiz

ATTORNEYS FOR EL PASO ELECTRIC COMPANY

# **CERTIFICATE OF SERVICE**

I certify that a copy of this document was served to the Staff of the Public Utility Commission of Texas on May 30, 2006 via hand delivery.

Paul S Ruiz