

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for exclusion
under Rule 25-6.0455(3), F.A.C.,
concerning outage events
associated with storm on
2/22/03, by Gulf Power Company.

DOCKET NO. 030270-EI
ORDER NO. PSC-03-1008-PAA-EI
ISSUED: September 8, 2003

The following Commissioners participated in the disposition of
this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING REQUEST FOR EXCLUSION OF OUTAGE EVENTS FROM
ANNUAL DISTRIBUTION SERVICE RELIABILITY REPORT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Rule 25-6.0455, Florida Administrative Code, requires each investor-owned electric utility to file annually a Distribution Service Reliability Report containing data that this Commission uses to assess changes in distribution reliability. Under subsection (2) of the rule, a utility may exclude specified outage events, such as a storm named by the National Hurricane Center, a tornado recorded by the National Weather Service, ice on lines, and an extreme weather event causing activation of the county emergency operation center. In addition, under subsection (3), a utility may petition the Commission to exclude an outage event not specifically enumerated in subsection (2), provided that the utility can

DOCUMENT NUMBER-DATE

08416 SEP-8 8

FPSC-COMMISSION CLERK

"demonstrate that the outage was not within the utility's control, and that the utility could not reasonably have prevented the outage." Rule 25-6.0455(3), Florida Administrative Code.

On March 17, 2003, Gulf Power Company ("Gulf") filed a request pursuant to Rule 25-6.0455(3), Florida Administrative Code, seeking to exclude from its 2003 Annual Distribution Service Reliability Report service interruptions that occurred on February 22, 2003, due to weather-related events. This request, along with another request in Docket No. 030312-EI, represent the first applications of subsection (3) of the rule. We have jurisdiction over this matter pursuant to Chapter 366, Florida Statutes, including Sections 366.04, 366.041, and 366.05, Florida Statutes.

By its request, Gulf seeks exclusion for 96 outage events that it alleges were not within its control and could not reasonably have been prevented because of the severe weather that occurred in its service area on February 22, 2003. The resulting system-level impact related to this weather event is an estimated 2.976 minutes added to Gulf's System Average Interruption Duration Index (SAIDI). SAIDI is an index most commonly used by utilities to measure distribution service reliability performance. A SAIDI value of 100 means that customers experienced on average 100 minutes of service interruption during the year.

On February 22, 2003, a line of thunderstorms, oriented north to south, moved eastward across Gulf's entire service area. According to Gulf, storm-related outages reported by customers affected 22 percent of Gulf's feeders as the storm moved across its service area. Gulf's restoration efforts, which spanned approximately 13 hours, included replacement of three broken poles and eight transformers, repair of fifteen conductors, re-fuse or close sixty protective devices, and replacement of four cutouts and a lightning arrester.

Attached to Gulf's request are three exhibits which Gulf believes show that this weather event was unusual in nature and that Gulf could not have reasonably avoided the outages associated with the weather event. Exhibit A consists of copies of two news articles that discuss wind gusts, severe wind damage to a building complex on Okaloosa Island, and a possible tornado. Exhibit B consists of eleven photographs of the debris around the damaged

building complex on Okaloosa Island including several broken utility poles and service restoration efforts. Exhibit C is a synopsis by ImpactWeather addressing the weather Gulf experienced on February 22, 2003, and includes two doppler radar images. ImpactWeather is a weather alert and information service of Universal Weather and Aviation, Inc. ImpactWeather's synopsis shows that wind gusts accompanied the thunderstorms that moved across Gulf's service area, especially near Okaloosa Island. Gulf believes general tornado-like damages to distribution facilities occurred. Therefore, Gulf argues the 96 outage events of February 22, 2003, could not reasonably have been prevented.

Based on the information presented by Gulf, we find that an extreme weather event caused 96 outages throughout Gulf's service area on February 22, 2003, and that these outages were not within Gulf's control and could not reasonably have been prevented by Gulf. The large number of affected feeders, the broken utility poles, the long restoration time, and the ImpactWeather synopsis are indicative of the severity of the weather event. We note that our staff was unable to find vegetation in contact or in close proximity to Gulf's power lines, and that we have no information to suggest that Gulf is foregoing maintenance of its distribution system to the detriment of reliability.

We recognize that outages associated with similar weather events may already be included in the Annual Distribution Service Reliability Reports that Gulf has filed to date. Excluding data from those reports on a going-forward basis will distort the trends in the distribution reliability indices because outages associated with similar weather events, if any, were not previously excluded. The trends in the reliability indices will become increasingly less meaningful if future exclusions for weather events are granted. Reconciling the effects of such exclusions three or four years from now will be almost impossible because Gulf does not retain detailed outage data for more than two years. We believe that problems associated with reconciliation of the apparent trends and voluminous record retention can be avoided by requiring Gulf to file its Annual Distribution Service Reliability Report both with and without any weather event exclusions that may be granted pursuant to Rule 25-6.0455(3), Florida Administrative Code. Including the effects of the approved exclusions to Gulf's Annual Distribution Service Reliability Report will ensure comparable

information is readily available to assess improvements to distribution reliability.

We are also concerned with the potential for inconsistent requests for exclusions under subsection (3) of the rule. Certainly, for Annual Distribution Service Reliability Reports to provide the basis for meaningful analysis of reliability trends and comparisons to peers, consistency is necessary among a particular utility's excluded outage events and among various utilities' excluded outage events. Thus, in order to maintain a consistent quality of data, we will consider, when addressing future exclusion requests under subsection (3) of the rule, the consistency of such exclusions with prior exclusion requests by the utility and other utilities, as well as whether the outage event to be excluded is unique in comparison to outage events which have historically not been excluded from the utility's Annual Distribution Service Reliability Reports.

In conclusion, we find that Gulf has demonstrated that extreme weather occurred in its service area on February 22, 2003, causing 96 outage events that were not within Gulf's control and could not reasonably have prevented by Gulf. Therefore, we grant Gulf's request. Gulf shall file its 2003 Annual Distribution Service Reliability Report with and without the exclusions granted herein to enable assessment of trends in Gulf's distribution reliability indices.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Gulf Power Company's request to exclude from its 2003 Annual Distribution Service Reliability Report outage events that occurred due to extreme weather on February 22, 2003, is granted. It is further

ORDERED that Gulf Power Company shall file its 2003 Annual Distribution Service Reliability Report with and without the exclusions granted herein. It is further

ORDER NO. PSC-03-1008-PAA-EI
DOCKET NO. 030270-EI
PAGE 5

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 8th Day of September, 2003.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records and Hearing
Services

(S E A L)

WCK

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 29, 2003.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.