

## **City of Bowie Testimony Before the Public Service Commission Concerning the BGE Bowie Electric Reliability Action Plan**

Thank you for the opportunity to allow the City of Bowie to present our assessment of the BGE Bowie Electric Reliability Action Plan (BERAP). First, we want to thank BGE for the investment they have made in the City of Bowie and surrounding area to improve electric reliability in the City of Bowie. Hopefully the experience the City went through regarding the implementation of BERAP can be used as an example of what worked and provide examples of what could be improved for other communities that may go through a similar process in the future.

### **What Went Right**

**Improved Electric Reliability** – The improvements made by BGE have resulted in improved power dependability as measured by SAIFI and SAIDI standards. Regarding specific events, the electric system performed well during the February 2010 snowstorms. However, there were 6,135 customers, out of approximately 20,700 households in Bowie (approximately 30%), who lost power during the recent July 25, 2010 summer storm and restoration took up to 36 hours for some of these customers. Since the primary purpose of the BERAP program was to improve the dependability of power in the City, we would give BGE high marks in this area for the short period of time that performance has been measured since the implementation of the BERAP program. However, we do have some concerns after the July 25<sup>th</sup> event and want to continue to closely monitor this performance to ensure that these improved performance levels are maintained over the long term.

**Removal of Tree Debris** – We are also appreciative of BGE agreeing to remove tree debris during the implementation of this program. We recognize that this element of the program added substantial costs to the BERAP effort. This was a significant change from normal BGE practice and it helped avoid numerous customer issues and resulted in enhanced customer satisfaction.

**Underground Feeder Lines** – In addition, the City is very appreciative of the enhanced use of putting feeder lines underground in vulnerable communities. We feel that over time this will help to significantly improve dependability in those neighborhoods. We again recognize that this was an element of the program that added significant cost to the BERAP program.

**Role of Public Service Commission** – Finally, we wish to thank the Public Service Commission for your oversight of this effort. We feel this oversight and guidance was an essential element in making this program work and we appreciate your efforts in this regard.

### **Areas of Improvement**

Any project of this magnitude is going to have elements where improvements could be made. The areas where we feel that improvements could be made are as follows:

**Tree Reimbursement Program** – The tree reimbursement program for private residents was not successful. Only 3,032 vouchers out of 9,151 offered were redeemed. This represents only a 33% success rate. From the City’s perspective, we feel that the restrictive design of this program limited participation. The program only reimbursed \$100 per tree lost greater than 8” in diameter on residential properties and would only pay for a replacement tree where a receipt could be produced. We would suggest in the future that if a similar program is offered that it allow for reimbursement for stump removal costs, work done directly by landscape companies and other landscape services associated with restoring the areas impacted by BGE tree cutting.

**Stump Removal** – One aspect of the program that the City heard consistent complaints about was the failure of BGE to remove tree stumps as part of the tree removal process. This left many residents with an ugly eyesore. It also required residents to incur expenses to remove the stumps. While we recognize that the removal of stumps would add an additional expense to this program, we feel that the enhanced public service aspects of adding stump removal to the program would have helped to indirectly offset the residents’ costs associated with this effort. At a minimum, we feel that the \$100 voucher offered by BGE for each tree greater than 8” in diameter lost on residential properties should have been able to be applied to stump removal.

**Tree Work Performed Along Road Rights-of-Way** – Another area of difficulty with this program pertained to the aesthetic and environmental impact that resulted from tree work along public rights-of-way. Because primary electric lines often run adjacent to roadways, the tree work that was done in these areas often completely transformed the aesthetics of these areas. One of the frustrations that the City experienced was that we did not feel the replanting efforts offered by BGE were adequate to help to restore these rights-of-way.

**Negative Aesthetic Impact on Residents’ Yards** – The City received considerable customer feedback on the inflexibility of the BGE tree trimming and cutting standards and the adverse impact on residents’ properties. In many instances, these aggressive cutting and trimming standards substantially altered the backyards of many residents. We would suggest that some type of variance be established for future programs where residents who can demonstrate a hardship be allowed to retain certain trees or where trees that would only have a nominal potential future impact on electric dependability be allowed to remain until the next four year trimming cycle and then be reevaluated for impact on electric dependability at that time.

**Removal of Environmentally Significant Trees** – In some instances, large and environmentally significant trees were removed as part of this process. Again, we would suggest some type of variance process be established for future programs whereby environmentally significant trees be allowed to remain under certain circumstances. This program was a tradeoff between public goods. The reliability of electric service versus the environmental and aesthetic enjoyment that trees provide. We feel more balance should be strived for in future programs whereby one issue, electric reliability, does not completely trump other considerations such as preserving trees.

**Front Yard Poles** – Finally, approximately 40 wooden electric poles were moved from backyard areas to front yard areas as part of the BERAP program. The City is primarily serviced by a rear yard distribution system. Moving poles to front yards significantly altered the aesthetics of the Bowie community. BGE needs to be more sensitive to this issue in the future when designing improvements to neighborhoods that have a similar situation.

### **Outstanding Issues**

The City still has several outstanding issues with BGE that we hope the PSC can assist in terms of providing direction for possible resolution of these matters.

**Compensating the City for Unclaimed Tree Vouchers to Establish a Tree Replacement Fund** – The City has requested that BGE consider compensating the City for the unclaimed tree vouchers. As mentioned earlier, only 3,032 vouchers out of 9,151 offered were used, leaving 6,119 vouchers unclaimed. At \$100 per voucher, this represents \$611,900 in potential cost avoided as part of this program. The City would propose to establish a tree reimbursement fund with these funds for City residents to plant trees throughout the community to replace the thousands of trees with an 8” diameter or greater that were removed. BGE has indicated to the City that they will not be able to honor the City’s request in this area. The impact on the City from the BERAP program was significant. We feel that there is a corporate responsibility to help restore some of these trees lost by the community. Any guidance that the PSC can offer in resolving this dispute would be appreciated.

**Enhanced Planting Along Rights-of-Way Areas** – Another area that the City and BGE have a conflict pertains to replanting along rights-of-way areas severely impacted by the BERAP program. On the four major rights-of-way impacted, BGE has offered to replace 156 trees out of 456 trees greater than 8” in diameter that were removed. The City feels that this is inadequate. Again BGE has denied the City’s request for enhanced planting along major rights-of-way impacted by this program. We would ask the PSC to provide guidance in helping to resolve this matter with BGE.

**Request for Additional Information** – On July 12, 2010, BGE made a wrap-up presentation regarding the BERAP program to City Council. At that meeting, City Council requested additional information about this program as follows:

- A breakout of the relative performance of the 21 Bowie feeders as compared to all feeders in the BGE system.
- The SAIFI and SAIDI performance for each of the 21 feeders in the Bowie system, both before and after implementation of the BERAP program.
- A breakdown of how much was spent for tree removal, infrastructure improvements and communication improvements.
- More specifics in terms of infrastructure improvements.
- Information as to how Bowie performed compared to the rest of the BGE system in the December 2009 snowstorm.

Council has requested this information to get a better understanding of the impact and results of this program and the effort made by BGE regarding the various components of their investment. This information will help the City make an informed evaluation of this program and determine whether there has been uniform improvement across the entire City.

In conclusion, the main purpose of this program, to improve electric reliability in the City of Bowie, appears to be being met. The City appreciates the investment that BGE has made. However, there are lessons to be learned through a program like this that we hope both BGE and the PSC consider in designing future programs. We recognize that BGE has to be accountable to the PSC and to shareholders as to how it spends corporate moneys. However, BGE also needs to be sensitive to the impact a program like this has on a community and its citizens, which sometimes means doing what is necessary to help mitigate for losses experienced by a community. Again, thank you for allowing the City to give you our assessment of the BERAP program. We appreciate any guidance you can offer in helping to resolve the outstanding matters between BGE and the City.