

Draft Testimony of Nicole Levine, Vice President of Electric Operations, PECO
Hearing of the Senate Democratic Policy Committee
September 29, 2020

Thank you, Chairman Boscola, and members of the Committee. My name is Nicole Levine, and I serve as Vice President of Electric Operations for PECO, the electric distribution company for southeastern Pennsylvania and a portion of York County. PECO serves more than 1.6 million electric distribution customers and more than 532,000 natural gas distribution customers in the suburban counties. PECO has served this region for 140 years, and we are proud of our commitment to safety, reliability, the environment, and diversity, equity and inclusion.

PECO manages a network of more than 30,000 miles of electric distribution wires, utility poles, transformers, substations and other supporting equipment. Over the last decade, PECO has invested more than \$700 million to create a comprehensive smart grid network and invested more than \$288 million between 2016 and 2020 through our current Long-Term Infrastructure Improvement Plan (LTIIP) to replace and upgrade equipment to improve the system. On July 22, 2020 we filed our LTIIP II plan to invest an additional \$B 1.36 over a five-year period on storm hardening and resiliency programs and replacement of aging infrastructure.

These ongoing investments in the reliability and resilience of our system are essential, as climate change is driving more frequent and severe storms. In just the last ten years, we've experienced six of the ten most destructive storms in our history, and we are building the need to evaluate new technologies and procedures to make the grid more reliable and resilient into all of our plans for the system.

Of course, 2020 has been a year like no other. In early March, as the scale of the global COVID-19 pandemic was coming into focus, PECO began implementing its Business Continuity Plan (BCP) to support emergency operations. The BCP is a set of procedures designed to enable the company to maintain reliable operations and robust management and communications during extreme disruptive events.

Through execution of these plans, PECO has been able to establish social distancing and enhanced safety protocols for essential field forces and control center personnel while implementing remote working systems for our back-office teams. Not only have we been able to continue providing safe and reliable service throughout the pandemic, but we have even identified ways to take advantage of remote connectivity to improve emergency response capabilities.

Some of the measures we implemented to support remote emergency response include:

- Executing robust plans to bring the company's electric distribution system into the best possible configuration by accelerating our summer readiness activities;
- Strategically scheduling work to keep our employees and contractors working during the pandemic and ready for emergency activation;
- Providing flexibility in travel procedures to enable our crews to socially distance on the way to and from jobs in the field;
- Establishing on-line mailboxes and new procedures to support remote communications between PECO and county emergency operations centers;

- Developing systems, processes and procedures to allow dispatching of mutual assistance crews from remote locations including employees' homes. These new processes increased dispatching capacity and reduced mobilization time over previous systems; and
- Implementing plans to safely house and feed mutual assistance crews coming into the PECO service territory

All these plans were critical, as we have experienced one of the most challenging storm years ever – including two of the ten most destructive storms in our company's history two months apart.

In retrospect, we were probably fortunate to experience a number of smaller storm events in the early spring that enabled us to refine these procedures. These procedures supplemented our standing emergency response practices which are based on a series of restoration priorities:

- Transmission and substations
- Critical customers such as hospitals, critical infrastructure and emergency response centers
- Distribution circuits, prioritized by the number of customers affected
- Procedures for emergency response for police, fire and road closure events

On June 3rd, the region was hit by a derecho storm, with heavy rains and winds that exceeded eighty miles per hour. 456,480 customers lost power. This was an all-hands on deck event for PECO's field and back office teams, and more than 3,000 additional field employees came on-system through our Exelon Utilities colleagues and utility industry mutual assistance network from as far away as Oklahoma, Florida and Canada. 91 percent of customers were restored within 48 hours of their service interruption, and by June 9th, the last customers were brought back on-line.

PECO and mutual assistance crews responded to 2,376 primary outage events, replacing approximately 2,800 crossarms, 300 transformers, 500 poles and completing 450 road closure events.

On August 4th, Tropical Storm Isaias left a trail of destruction across the East Coast and severely impacted our region. Torrential rains softened the ground, and high winds toppled trees that knocked out service to over 400,000 customers. It was our second all-hands-on-deck event of the summer for PECO employees, and 2,040 additional field and contractor employees through Exelon Utilities and other companies in the industry assisted our restoration efforts.

The storm impacted our entire service territory, though Bucks and Chester counties were hardest hit. The destruction on the ground in some places was as severe as what we witnessed during Hurricane Sandy and the February 2014 ice storm. We responded to 1,570 outage events, with 94 percent of affected customers restored within 48 hours of the time their service was interrupted. By August 11th, the last customers were brought back on-line. Close-out of that storm was delayed by a second thunderstorm that impacted the region on the evening of August 7th with significant localized impacts, also primarily in Bucks and Chester counties.

While no major storm restoration is ever perfect, overall, we believe we responded effectively to these intense storms and the smaller weather events that occurred in the spring. Most importantly, we did so safely – both in terms of traditional safety measures, but also with regard to COVID safety precautions. While many of our employees working to restore power and provide back-office support didn't have power at home themselves, they worked long hours and kept their number one focus on the customer.

In a demonstration of the commitment of our team, PECO employees completed work on Tropical Storm Isaias, then turned around and headed to the Midwest to support restoration efforts from the devastating derecho on August 10th, and a few weeks later deployed to Louisiana to help recovery from Hurricane Laura's destruction.

After major storms, PECO reviews our collective performance to assess what we did well and where we can improve the next time one of these events occur. Those reviews are in progress.

Our customers expect electric utility service that is clean, reliable and affordable. We are continually working to meet that expectation and welcome the opportunity to engage with you in this discussion.