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## NEWS RELEASE

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# **PSC Report on Kentucky's Largest Power Outages Finds Many Ways to Improve Storm Readiness and Response**

*Makes 64 findings and recommendations to utilities and others;  
Utilities directed to respond by March 1, 2010*

FRANKFORT, Ky. (Nov. 19, 2009) – Kentucky can take a number of steps to reduce the impact of severe weather on electric infrastructure and other utilities and to improve the preparedness for and response to major power outages, the Kentucky Public Service Commission (PSC) said in a report issued today.

The report makes 64 findings and recommendations. It is based upon the PSC review of the September 2008 wind storm and January 2009 ice storm, which caused the two largest power outages in Kentucky's history.

PSC Chairman David Armstrong, speaking at a briefing on the report, emphasized that the report is just the beginning of an effort to address issues which surfaced in the wake of the two storms.

"The PSC is directing each jurisdictional utility in the state to respond to the applicable recommendations in the report," Armstrong said. "We are directing the utilities to tell us what they are doing to implement each recommendation and – if they disagree with it and do not intend to implement it – to explain their objections."

Utilities under the PSC's jurisdiction have until March 1, 2010, to respond to the report. The responses will be reviewed and the PSC will determine what additional actions are needed, Armstrong said.

Further steps could include PSC administrative proceedings, changes in PSC regulations or proposals for legislative action, he said.

"I can assure you that this Commission is committed to seeing that the lessons of the 2008 wind storm and 2009 ice storm do not go unheeded," Armstrong said.

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The report also recommends changes in some PSC operations, including making improvements to the system by which utilities report outages and a modification in the way consumer complaints are handled during major outages. Those changes are underway, Armstrong said.

Other recommendations in the report are directed to other local or state government entities, to wireless telephone providers and to the general public. They are advisory in nature.

Major topics covered in the report include:

- Burial of electric lines – Placing existing electric lines in Kentucky underground would cost at least \$217 billion, a figure that includes only utilities under PSC jurisdiction. The report does not recommend large-scale conversion to underground lines, but recommends that utilities consider conversion to underground lines in specific circumstances, such as lines that are prone to repeated damage.
- Strengthening (“hardening”) of overhead lines – Both storms were so severe that even lines built to higher-than-required standards did not survive. The report finds that current standards are generally appropriate for Kentucky. It recommends that utilities evaluate their systems to determine whether hardening is appropriate for outage-prone circuits or lines to critical facilities.
- Emergency preparedness – The Commission recommends that utilities work more closely with local and state emergency managers to develop disaster response plans and conduct training exercises. The commission also recommends measures that Kentucky residents can take to be better prepared for power outages.
- Communication with customers – The report recommends that utilities provide customers with more detailed information about outages and restoration efforts. It recommends several ways in which communication with customers should be improved.
- Outage reporting – A critical element in effective response to outages is the reporting of power loss by customers to their utility and by utilities to the PSC. The report recommends several improvements in these areas.
- Telecommunication failures – The report examines the telecommunication failures which were widespread in western Kentucky following the ice storm. It recommends additional usage of back-up generators, particularly at cell towers. The report also notes that the PSC can only advise wireless telephone providers to take such measures. The Commission recommends that wireless telephone users who rely on those phones in emergencies should take reliability into account when selecting a provider.

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The report is available on the PSC Web site, at <http://psc.ky.gov/>.

Today's briefing will be available for viewing at a later time in streaming video format in the PSC's video library, at <http://psc.ky.gov/Home/Media>. A video of the briefing also will be available for download on the PSC's FTP site, <ftp://162.114.3.167/>.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 100 employees.