

**BEFORE THE
PUBLIC SERVICE COMMISSION OF THE
DISTRICT OF COLUMBIA**

**OFFICE OF THE PEOPLE'S COUNSEL
DISTRICT OF COLUMBIA**

**Statement of Sandra Mattavous-Frye
People's Counsel**

**Hearing on the Electric Outage on July 27, 2019 at
Pepco's Florida Avenue Substation**

Wednesday, November 6, 2019

Good afternoon, Chairman Phillips and Commissioners Beverly and Gillis. For the record, I am Sandra Mattavous-Frye and I serve as People's Counsel for the District of Columbia. OPC commends the Commission for convening this important hearing and for providing the public the opportunity to hear first-hand from Pepco the reasons for the July 27, 2019 power outage at its Florida Avenue Substation causing 21,000 customers to lose electric service. I share your concern and I further believe it is critical to determine whether the outage was an isolated mishap or a systemic problem.

I am here today to briefly inform you of OPC's independent investigation of this outage and to hear Pepco's explanation of the causes and steps it is taking to prevent a reoccurrence of such outages in the future.

OPC's Investigation

Based on the duration and number of customers affected the outage was categorized as a Non-Major Outage, pursuant to the Commissions rules. OPC examined Pepco's Non-Major Outage Report filed on August 2, 2019. On August 8, OPC's engineers and Pepco's engineers had a telephone conference about the outage. OPC posed several questions regarding the August 2nd Report. Shortly thereafter, OPC submitted a series of formal data requests to Pepco. Summarily, OPC inquired about the sequence of the day events, Pepco's response time and staff deployment, the condition of the equipment, and maintenance protocols. OPC subsequently reviewed Pepco's responses. In addition, we reviewed Pepco's Root Cause Investigation Report (RC Report) filed on November 1, 2019.

To put it mildly, we were alarmed by the details set forth in Pepco's RC Report. It details a series of egregious errors and

substandard maintenance practices that reportedly have been ongoing for a number of years at this substation. The details of poor management, absence of qualified personnel in key roles and the failure to follow industry practices is disturbing. The Report underscores the need for the Commission to stringently monitor Pepco's maintenance program. This should be done in addition to existing practices that frequently don't facilitate an optimal and necessary level of scrutiny. For example, Pepco's ACR filing contains detailed information from the ECA committee concerning equipment replacement, including LTCs. These reports should be carefully scrutinized. Pepco should report on its training of technicians and its efforts to reinforce current maintenance protocols. The company should be required to file progress reports on the replacement of the 24 LTCs that need replacement. It may also be prudent to open an investigation into Pepco's management and maintenance of the distribution network to ensure they are following industry standards.

Reliability Requires Vigilance

This event highlights why regulatory vigilance demanding reliable electric service is so essential. I need not remind you or

anyone in the viewing audience of the “Dark Days” when major outages were commonplace. We’ve come a long way. The District and Pepco are in a transformational state of being. Addressing climate goals and grid modernization are necessary to facilitate the inevitable change. However, if the basic function of delivering electric service is not done, District of Columbia consumers will suffer.

The electric distribution network is vital to the success of the District of Columbia and its residents. We rely on it for the necessities of life including lighting, heating, cooling our homes as well as to power our economic, medical, educational, and entertainment institutions. Power outages are more than an inconvenience. They are a safety and quality of service issue and will remain so as we move forward.

By statute, Pepco is required to deliver safe, adequate and reliable service to all consumers. Over the past 10 years, Pepco’s rates have increased to support maintenance and infrastructure upgrades aimed at increasing both reliability and resiliency. Current reliability indices demonstrate that Pepco has improved reliability performance overall in the city. Unfortunately, there

remain a number of neighborhoods in the city that are experiencing less than reliable service, including outages that are not related to weather events. Essentially, while reliability has improved over the last few years, further improvement is needed. Pockets of unreliable service throughout the city are untenable in any city, but especially so in the District of Columbia as this is the nation's capital.

The Office will continue to pay close attention and bring these issues to the attention of the Commission. We will put all of our efforts into ensuring that Pepco delivers the highest level of reliability throughout all neighborhoods in the District of Columbia.

In closing, when outages occur, Pepco's ability to accurately identify the cause of the outage and design remediation efforts to avoid future outages is critical. I am pleased that is the focus of today's hearing. I am looking forward to Pepco's presentation to learn the specific technical issues that caused this widespread outage and hear their future plans. I am also paying close attention to the outreach effort Pepco engaged in to keep impacted consumers aware of the restoration process.

Thank you again for the opportunity to make this statement.