

**OPENING STATEMENT**

**OF**

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**OFFICER**

**UIL HOLDINGS CORPORATION**

**TROPICAL STORM IRENE HEARING**

**LEGISLATIVE OFFICE BUILDING**

**HARTFORD, CT**

**September 19, 2011**

Senator Williams, Representative Donovan, members of the Connecticut General Assembly, thank you for the opportunity to address you on the performance of United Illuminating in restoring our customers' electric service after the destruction and damage caused by Tropical Storm Irene. My name is James Torgerson and I am the President and Chief Executive Officer of UIL Holdings Corporation. First I want to thank and commend all who participated in the storm preparation, assessment and restoration, including the employees of UI, the contract crews and mutual assistance crews, along with the state and local officials, the federal officials, and all the governmental employees that helped. I also want to thank our customers for their patience and understanding as we assessed damage and restored service.

I am proud of our employees who worked tirelessly, leaving their families, many without power at their own homes, to restore power to our customers. Most worked 16 hour days, every day, for over a week until all customers were restored and our systems stabilized. After the storm on August 28, we had approximately 158,000 customers without service, more than 49% of UI customers. We restored service to over 50,000 customers within the first 24 hours after the storm. By the end of Tuesday, August 30, the second day after the storm, we had reduced customer outages to approximately 65,000. As confirmed by the U.S. Department of Energy Deputy Assistant Secretary of Energy, Infrastructure Security & Energy Restoration, Mr. William Bryan, for a storm of this magnitude it would normally take three to six days to restore 60% to 70% of the customers. UI restored 75% in three days. Further, according to Mr. Bryan, it would normally take ten to fourteen days to restore 98% of the customers that lost power. By the end of Sunday, September 4, a week after the storm, we had restored service to greater than 99% of the customers who had outages.

In summary our preparation, assessment and restoration went well, based on the magnitude of Tropical Storm Irene. Our communications efforts with the cities and towns, the various officials and our customers related to restoration times and the current work being performed need improvement. I will discuss each of these areas.

### **Preparation**

Our people were tracking Hurricane Irene from its beginning. On Tuesday, August 23, once the computer models showed a possibility of the storm coming to Connecticut, we prepared for implementation of our storm emergency plan. This included periodic briefings, reviewing our inventory, telephone conferences with our fellow participants in the Northeast Mutual Assistance Group (NEMAG) on potential landfall sites and crew availabilities, communicating with our contactors and speaking with other contractors about obtaining additional contract crews. Throughout the week, we were discussing storm team roles and responsibilities, staffing assumptions and planning, and preparation for what could be the long restoration period required for a storm of this magnitude. Our preparation continued as the hurricane continued tracking closer to Connecticut. We formally activated our storm plan and opened our storm operations center on Thursday, August 25. We initiated contact with each of our municipalities. We generally have 24 Thirau line construction crews. On Friday, August 26, we arranged for additional

contract crews from Thirau and also contracted for electrical contractor crews. Our purchasing people arranged for hotel rooms and food to be delivered to people at various locations. This included breakfast and dinner at numerous locations and box lunches for all field crews.

In advance of the storm, we tested our business continuity protection sites to be prepared in the event that the storm caused a facility loss critical to UI's operation. The Company also completed a site inspection of all transmission and distribution substations to ensure that all equipment was secure and to minimize damage caused by unsecured equipment. We also notified DOT of any state construction sites that had to be secured to avoid transmission outages associated with unsecured construction materials. We made outbound calls to all medical hardship customers, to suggest that the customer plan for the potential of a storm-related outage of electric service.

We were also aware of the work that our municipalities had begun. UI's municipal liaisons attended emergency planning meetings held by our municipalities on Thursday, Friday and Saturday, before the storm. On Saturday, we confirmed municipal priorities restoration facility locations with each of the municipalities. By Sunday morning, all of the municipal EOCs were open, and UI's municipal liaisons had reported to their towns and cities. Since we had advised our customers and government officials that this storm would most likely take four to seven days to restore the outages from the damage, we had multiple liaisons trained and ready, to assist for this duration.

Our town/city liaisons were in contact with the various town emergency operation centers (EOC) and moved to their assigned locations as the EOCs were activated.

On Sunday, August 28, UI pre-positioned crews within our service area for the storm, so that they would be ready and available immediately to begin work when the storm passed and it was safe to start work. In fact 204 overhead line and line clearance crews were working during the storm. Employees from every area of the company were available for storm duty, including employees from UI's sister companies, Southern Connecticut Gas, Connecticut Natural Gas and the holding company, UIL Holdings Corporation.

### **Assessment**

The first step in restoring power to our customers requires a complete assessment of the damage to the transmission and distribution systems. This involves physical observation of all 3,275 miles of our distribution lines, including an assessment of the damage to our system components. In this storm that task was particularly difficult due to the massive number of downed trees blocking the roads and taking down our lines. One would typically expect a minimum of 24 hours to patrol the main lines and another 24 hours to evaluate the lines running off of the main lines.

Once this review is done our people can plan the restoration. Planning the restoration is complex, taking into account the type and breadth of damage. The electric system is

interconnected, and conditions at one location can affect restoration at another location. We also must work to continue to maintain service to our customers who have electricity, while we work on restoring service to others.

Even during this assessment period, our crews working in conjunction with the municipalities public works crews were “making safe” down wires, removing trees and debris, restoring transmission lines and substations and beginning to attend to priority restorations such as municipal fire and police along with hospitals and other high priority customers identified by the towns.

Our written responses to the hearing questions contain many statistics on specific equipment which was damaged during the storm.

### **Restoration**

Our restoration process conforms to the National Incident Management System and Incident Command System (NIMS/ICS).

We staffed our operations center with senior officers, working in shifts, from the early morning of Sunday, August 28, the day Tropical Storm Irene hit, through Labor Day. Some of us would travel to the state EOC to participate in Governor Malloy’s briefing and then the joint press briefings with CL&P. UI has a process for storm restoration and all resources of the company are at the disposal of the Manager of restoration. At this point the singular focus of UI is in restoring power to our customers. UI’s priorities in our restoration of service are:

1. Ensuring public safety
2. Attending to pre-defined municipal priorities
3. Restoration of the largest number of customers in the least amount of time
4. Restoration of single customer outages

During the restoration we had all 50 UI overhead power delivery crews, 58 overhead contractor crews, 12 mutual assistance overhead crews, 84 tree crews, for a total of 204 overhead line and line clearance crews at the peak. The crews came from as far away as Missouri, Illinois and Florida. To provide perspective, on a normal day UI would have about 60 – 65 total crews available to be in the field. All of the crews were working 16 hour days with 8 hours for rest. We also worked with an AT&T representative in our emergency operations center and worked with cable companies to help coordinate the restoration efforts.

Our operations team set daily targets for the number of customers to be restored based on our ongoing assessment and plans. We consistently met or beat those targets.

During the restoration, we made follow-up calls to medical hardship customers at the request of the City of New Haven, providing information on how to contact the City’s

emergency center. We offered to make similar calls on behalf of other municipalities as well. Our municipal liaisons remained with their municipal EOCs as long as the EOCs remained open.

### **Communications**

Although we had liaisons staffed at all municipal EOCs they did not always have the information the town officials wanted and needed. At times, particularly during the first few days after the storm, we had significantly higher numbers of calls to our customer care center and significantly higher numbers of “hits” on our web site. As a result, we recognize that some of our customers experienced difficulty in contacting us immediately. We also understand that when customers do contact us, they want to know as soon as possible how long it is going to take to restore their power, so that they can plan.

We commit to improve in our communications capabilities. We are in the process of upgrading our Outage Management System and call center systems. These upgrades coupled with currently planned integration projects with our advance metering system capabilities and mobile technologies will enable UI to improve our communications. Our goal is to be able to provide restoration times to customers and town officials as quickly as we can through a number of media, including outbound calling, through our web site and through social media. We will be spending \$10 million to \$15 million over the next two to three years to put these tools in place.