

S.4861 (Comrie) / A.1008-A (Paulin)

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BILL S.4861 (Comrie) / A.1008-A (Paulin)
SUBJECT Storm Hardening and Resiliency Plans
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SUPPORT

The Business Council of New York State (The Business Council) supports S.4861 (Comrie) / A.1008-A (Paulin), which would require electric corporations to prepare and submit storm hardening and system resiliency plans to the Public Service Commission (PSC).

This legislation represents the type of results-oriented, collaborative dynamic needed to streamline and improve the restoration of electricity service after major weather events and sufficiently replace and reinforce grid infrastructure. Storm response is undoubtedly a complex and multifaceted endeavor, requiring the deployment of scores of emergency response personnel and the mobilization of heavy equipment into impacted regions. During those times, the ability of utilities to act quickly and effectively is essential. That is why it is critical that any response strategy not be 'one size fits all' but rather sufficiently nimble and tailored to the challenges and needs of both residential and business customers within an electric corporation's service territory.

Under this bill, an electric corporation must develop a plan outlining its strategies to improve response and restoration of service. These plans will be designed to mitigate restoration costs and lower outage times through feasible and practical means, while at the same time accounting for potential impacts on customer rates. The plans must also include performance benchmarks to measure the effectiveness of response strategies. Importantly, this bill would require the PSC to act on a proposed plan within eleven months. In 2019, electric corporations filed storm hardening plans responsive to a PSC directive that set forth many of the same elements contained in this legislation. However, to date, those plans have not yet been approved, despite several major weather events having occurred since then.

Improved resiliency will require investments in aging infrastructure, deployment of grid modernization technology and targeted undergrounding of vulnerable transmission lines. In addition to reinforcing the electric grid, these projects will

create many new direct and indirect jobs as well as increased economic benefits for the State and businesses alike.

The Business Council is generally supportive of legislation that would enhance collaboration between businesses, stakeholders, regulators, and government, and this bill appears to achieve those objectives. For example, damage from downed trees and limbs is a major cause of electric service interruptions. An effective vegetative management program cannot be achieved by a single entity but requires collaboration between utilities, property owners, local planning boards, environmental organizations, and arborist companies. In contrast to that model, we remain strongly opposed to any storm hardening and resiliency measures that are compelled only by punishing non-compliance through the imposition of punitive fees, an approach that both unnecessarily onerous and ineffective.

This bill represents a different approach. An approved resiliency plan would be valid for five years, which would allow electric corporations to increase stakeholder awareness and involvement, begin necessary preparations in advance of storm season, conduct role-based training and simulations, and ensure that necessary resources are available. Improving storm response and resiliency will be contingent on the ability of customers, utilities and regulators to work together to find viable funding approaches that meet customer expectations and compensate utilities for the cost of implementation. This legislation provides a pathway for those results to be achieved.

It is for the above reasons, The Business Council supports passage and enactment of S.4861 (Comrie) / A.1008-A (Paulin).