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May 18, 2012

**VIA FEDEX OVERNIGHT**

David J. Collins, Executive Secretary  
Maryland Public Service Commission  
6 St. Paul Street  
Baltimore, MD 21202

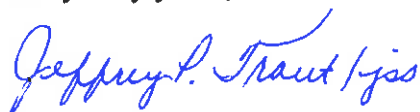
**Re: PC 29 – Summer Reliability Status Conference**

Dear Secretary Collins:

Pursuant to the Commission's Notice issued April 6, 2012 in the above-referenced matter, enclosed please find the original and seventeen (17) copies of the presentation of The Potomac Edison Company for the hearing to be held on May 24, 2012.

If you have any questions about this matter, please do not hesitate to contact me.

Very truly yours,



Jeffrey P. Trout  
Senior Corporate Counsel

JPT/jss

Enclosures

cc: Michael Dean, PSC Staff  
Theresa Czarski, OPC

# Maryland 2012 Summer Reliability Status Conference

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**The Potomac Edison Company**  
Administrative Docket PC29

May 24, 2012



# Agenda

- **Distribution Capability**
  - Emergency Storm Restoration Plan
  - Distribution Programs
- **Transmission Capability**
  - Transmission Reliability Concerns
  - Transmission Readiness
  - Transmission Capability & Upgrades
- **Summer 2012 Load Forecast**

# Distribution Capability

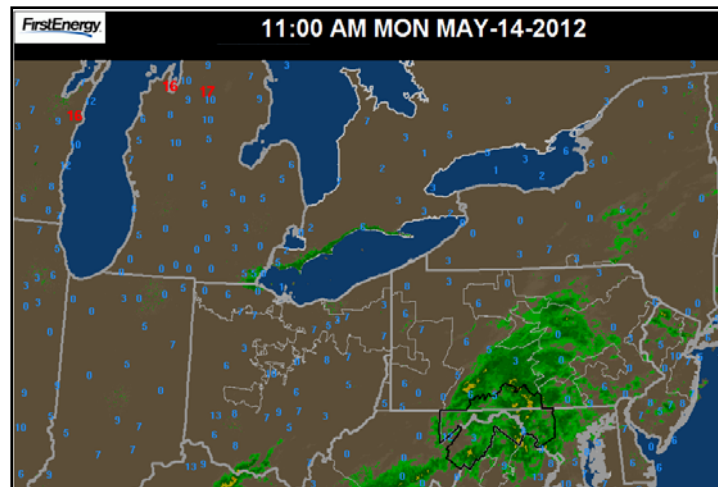
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# Emergency Storm Restoration Plan

- **Respond to and manage all electric system disturbances, restoring service as quickly and as safely as possible, effectively using all available resources**
  - Customers benefit from the scope and strength of FirstEnergy's operations through the sharing of internal resources (total of 10 operating companies)
  - If necessary, FirstEnergy is able to leverage additional resources from member mutual assistance organizations
    - Mid-Atlantic Mutual Assistance Group (MAMA)
    - Great Lakes Mutual Assistance Group (GLMA)
    - New York Mutual Assistance Group (NYMAG)
    - Southeastern Electric Exchange (SEE)
- **Quickly and accurately assess damage within the footprint and restore customers' service in a timely and safe manner which includes early isolation of hazards from public contact**
- **During major storm events, the dispatching of work is decentralized into five different groups including Dispatch, Forestry, Line, Service, and Hazard. This approach enables the Company to maximize resources and make the storm restoration process as safe, efficient, and expedited as possible.**
  - As a result of the OMS implementation on April 1, Potomac Edison Service Centers are performing the line dispatching function for a day to stay familiarized with the new technology in preparation for future storm activity

# Emergency Storm Restoration Plan

- **Predict potential damage to the distribution and transmission system by monitoring weather conditions**



- **Internal meteorological support focuses on the specific weather concerns of Potomac Edison; Provide real-time monitoring, forecasting and analysis**

## Internal Communication Example:

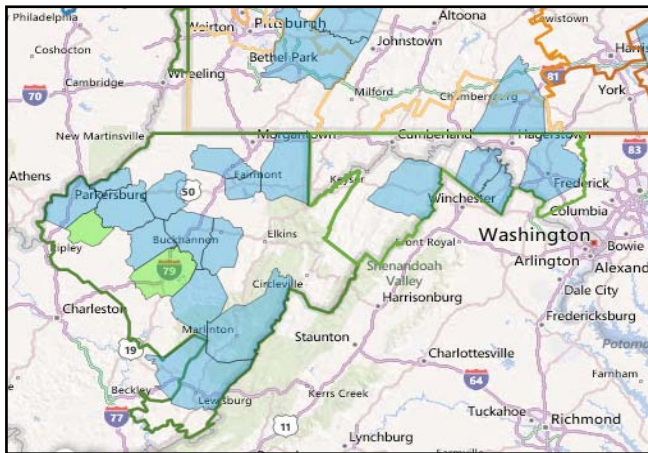
**PE**

**All districts:** 6-12" wet snow with some locally higher amounts possible. Starting 12a-2pm Sat in WV districts, and gradually reaching the eastern PA and MD districts 5-8am Sat. Ending 8-11p Sat. Gusts 20-30 mph during the event east of Berkeley Springs.

# Emergency Storm Restoration Plan

- Consistent messages regarding the status of the restoration effort are provided to customers, governmental bodies, the news media and company management
- Outage information is available to customers via the IVR, on the FirstEnergy website or via social media

**FirstEnergy Outage Map:**



**Customers Affected By County-CTV (MD)**

This screen provides a summary of outage information for each area served by FirstEnergy. To report an outage, please call 1-888-LIGHTSS (1-888-544-4877) or [click here](#).

County-CTV	Customers Affected	Customers Served	% of Customers Affected
ALLEGANY (MD)	0	34,965	<1%
CARROLL (MD)	0	13,203	<1%
FREDERICK (MD)	0	99,329	<1%
GARRETT (MD)	0	22,789	<1%
HOWARD (MD)	0	1,717	<1%
MONTGOMERY (MD)	0	28,695	<1%
WASHINGTON (MD)	0	50,066	<1%
BIG POOL	0	480	<1%
BIG SPRING	0	48	<1%
BOONSBORO	0	4,250	<1%
BROWNSVILLE	0	59	<1%
EDMUNDSVILLE	0	0	<1%
<b>TOTAL</b>	<b>0</b>	<b>250,764</b>	<b>-</b>

# Distribution Programs

## ■ Operations & Maintenance

- Conduct operation & maintenance programs, such as pole and circuit inspection and vegetation management, to maintain overall system reliability

## ■ Capacitors

- Achieve 98% of capacitor availability by June 1 of each year to optimize the system's ability to meet loading demands

## ■ Circuit Analysis

- Review approximately 20% of circuits annually to mitigate any potential loading or low voltage conditions
- Implement action plans for identified worst performing circuits to improve circuit reliability

## ■ Rulemaking 43

- Potomac Edison is currently implementing processes to meet all required standards



# Transmission Capability

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# Transmission Reliability Concerns

- Company Transmission System Assessment for Summer 2012
  - Based on the system conditions modeled, the Potomac Edison Transmission system is expected to sufficiently support forecasted peak summer loading
  - PJM has adequate operational procedures identified to effectively control and mitigate contingency outage conditions on the transmission system
  - Potomac Edison has adequate operational procedures to implement any PJM required actions and to mitigate contingency conditions on the lower voltage systems (<100kV)
  - Cascading study results indicated that the system is unlikely to cascade

# Transmission Readiness

- **The annual transmission readiness review was held with transmission operations to discuss the capability and reliability of the system for the summer of 2012. This detailed review did not reveal any significant issues for the summer. The meeting addressed the following:**
  - Summary of summer transmission seasonal assessment
  - Status of Potomac Edison projects
  - Review of overall operational readiness

# Transmission Capability & Upgrades

- **An on-going project at Doubs Substation will reach a major milestone by June 1, 2012 as the control wiring for two major pieces of transmission equipment will be relocated to the new control building**

# Summer 2012 Load Forecast

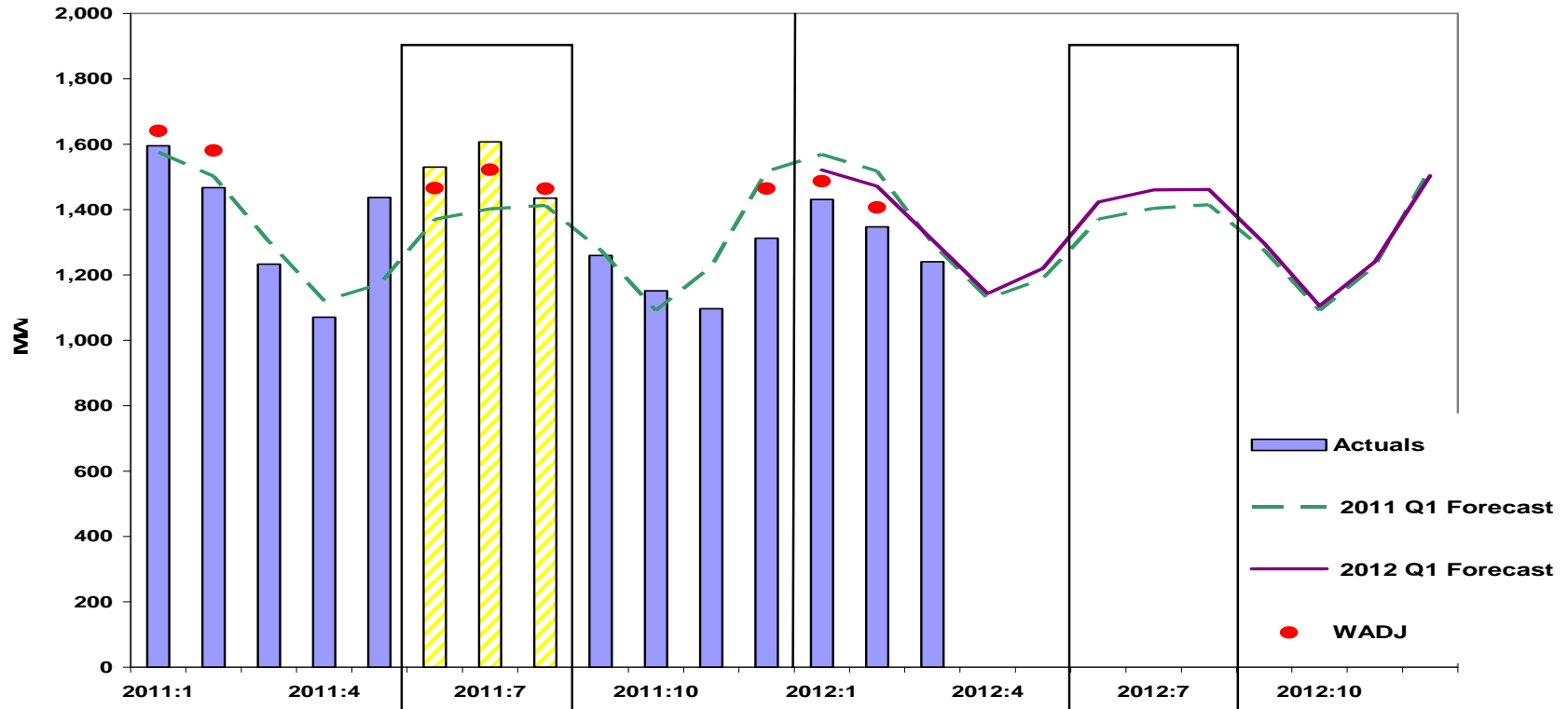
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# Summer 2012 Load Forecast

## ■ Actual 2011 Peaks

- 2011 Summer Peak Demand
  - 1,607 MW
  - Friday, July 22, 2011 @ 2:00 PM
- 2011 Winter Peak Demand
  - 1,431 MW
  - Wednesday, January 4, 2012 @ 8:00 AM

# Summer 2012 Load Forecast



PEMD Summer Peak MW Forecasts

	Actual	WADJ	LF11Q1	LF11Q1 w/o DSM	LF12Q1	LF12Q1 w/o DSM	MW Change
2011	1,607	1,522					
2012			1,415	1,459	1,462	1,467	47
		Growth %	-7.0%	-4.1%	-4.0%	-3.6%	

# Summer 2012 Load Forecast

- 2012 Summer Peak MW Reductions from EmPower Maryland Energy Efficiency & Conservation Programs\***

Residential Programs	Energy Efficient Products	1.0 MW	Commercial Programs	C&I Equipment Program	1.0 MW
	Appliance Turn-in	0.2 MW		Energy Efficient Buildings Program	0.3 MW
	Home Performance (Existing Homes)	1.6 MW	Industrial Programs	C&I Equipment Program	1.0 MW
	Residential New Construction	0.0 MW		Energy Efficient Buildings Program	0.1 MW
	Limited Income Energy Efficiency Program	0.2 MW	Total Summer Peak Reduction (MW)		5.6 MW
	Energy Efficient HVAC and DHW Equipment	0.2 MW			

\* As filed (filed 8/31/11 & re-filed 11/30/11) and approved (12/22/11) in Case No. 9153, EmPower Maryland, Energy Efficiency and Conservation and Demand Response Programs, by The Potomac Edison Company.



# Summer 2012 Load Forecast

## ■ PJM Load Response Programs

- Programs currently available
  - Emergency Load Response Programs
    - Customers receive capacity and energy payments for load reductions in response to a PJM emergency load reduction event
  - Economic Program
    - Permits customers to initiate or self-schedule their own load reductions when market prices are high enough to warrant and receive energy payments for achieved reductions
    - Permits customers to initiate load reductions in the Ancillary Services Markets
- PJM reported enrolled participants as of April 8, 2012
  - Emergency Interruptible Load for Reliability (ILR) Program –
    - 137 PE-MD registrations, providing 95 MW of demand reductions
  - Emergency Demand Response (DR) Program
    - 29 PE-MD registrations, providing 4.7 MW of demand reductions
  - Economic Program
    - 7 PE-MD registrations, providing up to 27.5 MW of demand reductions