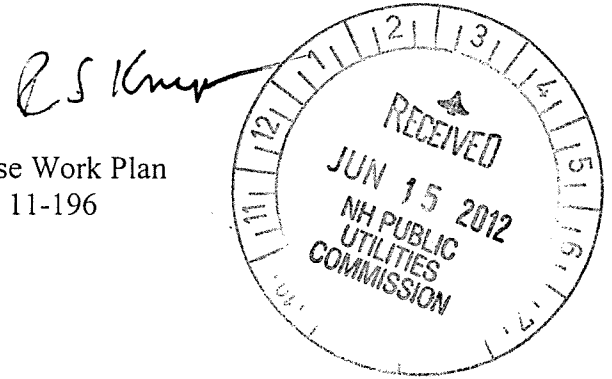


STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: 6/15/2012
AT (OFFICE): NHPUC

FROM: Randy Knepper, Director of Safety
SUBJECT: Northern Utilities Emergency Response Work Plan
Settlement Agreement Docket No. DG 11-196
TO: Commissioners
Debra Howland, Executive Director
Lynn Fabrizio, Staff Attorney



The Safety Division reviewed the Northern Utilities Emergency Response Work Plan filed as agreed in the Settlement Agreement section 3.1 filed on April 23 2012 of Docket DG 11-196.

According to Settlement Agreement section 3.1 filed on April 23, 2012 a Work Plan was to be filed with the Commission by May 14, 2012. On June 1, 2012 Northern Utilities filed a work plan and on June 4, 2012 filed a revised work plan with eight elements meant to improve Emergency Response Standards as defined in section 2.2 of the Settlement Agreement and in particular the 30 minute response standard.

The eight elements identified include:

New Job Classification, Staffing, Residency Requirement, Shift Schedules, Coverage Areas, On-Call Employees, On-Call Coverage and Assigning Calls to On-Call Employees.

The Safety Division offers the following comments:

Element 1 - New Job Classification - Utility Worker is a newly created job classification. This worker can be assigned work in both the Service or Distribution departments. The position will also be assigned on-call duties and may be assigned shift work. By creating this new job classification it allows Northern to increase the number of persons assigned to On-Call and allows greater efficiency of resources. Currently collective bargaining agreements limit only service department personnel to respond to emergencies during On-Call hours. This restriction is lessened with the new classification and should result in a greater increase in flexibility, which in turns result in faster emergency response times within 30 minutes. This enlarging of the pool is consistent with Staff testimony (see pg 19 lines 2-4).

Element 2 - Staffing - Northern Utilities will be hiring three Utility Workers. One will be a new position and both others will be replacing open positions in the service and

distribution departments. The new hire will be added to the second shift (3 pm to 11pm) Monday through Friday, increasing the number of persons on second shift from three to four. This will add a total of two new persons to the On-Call roster and the increase in personnel on second shift should allow for better response times during the After Business Hours, specifically 3pm to 11 pm Monday through Friday. This element although improving After Hours emergency response doesn't improve Weekends/Holidays 30 minute response times. This element of the work plan results in enlarging of the pool and cross use of employees as primary first responders and is consistent with Staff testimony (*see pg 18 lines 13-15*).

Element 3 - Residency Requirement - Northern has established a residency requirement with On-Call assignments for all new employees hired after 6/1/2012 including the three new Utility Workers. In a follow up conference call with Northern for clarification it was stated that the residency requirement is to live within 30 minutes from the assigned territory. This applies to transfers, replacement positions and Utility Workers that have On-Call assignments. Staff recommends this be included in the written work plan Element 3.

Currently there is no residency requirement at all and the majority of emergency responders of the service department do not live within the service territory. So existing employees could move further away from the service territory and there is little to prevent current response times from eroding further. The inclusion of this element is a step forward to improving the 30 minute response time but only applies to the three Utility Worker classifications at this time.

Long term, emergency response should be indirectly improved as existing personnel retire or take new positions within the company and are replaced with new Utility Worker classifications.

The 30 minutes residence requirement to live from the edges of the On Call assigned territories is a stricter requirement than currently exists because the On Call assigned territory is a subset of the franchise territory. See the attached On Call territory maps depicted for 2, 3, and 4 man coverage periods. This residency requirement is consistent with Staff testimony (*see pg 21 lines 11-12*).

Element 4 - Shift Schedules – Table 1 provided applies to Service department & Utility Workers showing the addition of the new position.

In a follow up conference call with Northern for clarification it was stated that the new transfer from the Distribution department to Utility Worker would be added to the first shift (7:30 to 4pm) Tuesday through Saturday resulting in additional personnel for this shift. This will increase Northern Utilities' ability to better achieve 30 minute response times on Saturdays. Staff purposely did not address shift scheduling in testimony as Staff believes this is directly a core responsibility of management.

Element 5 - Coverage Areas - This element aligns the assigned geographical territory with the number of assigned employees working on a given shift and depicts how the territories are reallocated based on staffing levels during the shifts. 2 person work areas, 3 person work areas and 4 person work areas are shown for the various shifts listed in Table 1. This improvement to the geographical alignment was referenced in Staff testimony (*see pg 19 lines 1-2*).

Element 6 - On-Call Employees – The work plan states that Northern Utilities will rely upon On-Call employees to respond to emergency calls when there is no shift coverage according to Table 1. Staff notes this results in the hours from 11pm to 7:30 am Monday through Saturday and 3:30 pm Saturday from to 7:30 am Monday will be totally dependent upon the On-Call response process. i.e. 91 hours out of 168 hours in a week (54% of the potential hours of a leak or odor call coming in) This improvement to the On-Call Hours was referenced in Staff testimony (*see pg 22 lines 4-15*).

Element 7 - On-Call Coverage – Northern will establish three on-call coverage areas for the service dept. and continue with two areas for the distribution dept. This is an improvement from the two coverage areas they have now for each department. This will in effect reduce the area that a person has to cover and should improve the 30 minute response times. Staff purposely did not specifically address On-Call Coverage area in testimony as Staff believes this is directly a core management responsibility

Element 8 – Assigning Calls to On-Call Employees:

The existing On-Call and Rotation Order process has been modified to allow the company the flexibility to call the closest on call responder to the location of the origin of the call. This is a fundamental emergency response principle. The inclusion of this element clarifies that public emergency response is a priority over individual employee considerations. Staff believes this should have always been an operational procedure.

In Summary:

Overall the Work Plan submitted seems to incorporate certain staff recommendations and alternatives suggested during the technical sessions leading up to Settlement Agreement and subsequent hearing. The Work Plan submitted is of sufficient detail to meet section 3.1 of the Settlement Agreement.